STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION

POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE NEW MEXICO 87504

| • | Purpose: 1 Secondary Recovery Pressure Maintenance Disposal Storage Application qualifies for administrative approval? |
|------------|--|
| ١. | Operator: Meridian Oil, Inc. |
| | Address: P.O. Box 51810, Midland, TX 79710-1810 |
| | Contact Party: Donna Williams Phone: 915-688-6943 |
| II. | 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. |
| √ . | Is this an expansion of an existing project? yes no If yes, give the Division order number authorizing the project |
| ' . | 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. |
| 1. | 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. |
| 'II. | Attach data on the proposed operation, including: Proposed average and maximum daily rate and volume of fluids to be injected; Whether the system is open or closed; Proposed average and maximum injection pressure; Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and 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.). |
| 111. | 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/1 or less) overlying the proposed injection zone as well as any such source known to be immediately underlying the injection interval. |
| • | Describe the proposed stimulation program, if any. |
| • | . Attach appropriate logging and text data on the well. (If well logs have been filed with the Division they need not be submitted.) |
| • | 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. |
| it. | 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. |
| II. V. | Applicants must complete the "Proof of Notice" section on the reverse side of this form. Certification |
| | I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief. |
| | Name: Chet A. Babin, P.E. Title: Reservoir Engineer Signature: Date: Da |
| | Signature: Dec 7 1994 |
| | If the information required under Section 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. |

Submitted By:

MERIDIAN OIL, INC.

Hearing Date: February 16, 1995

III. Proposed Injection Well Data

Items 3A and 3B for each injection well are provided in tabular and schematic form on the following pages. Note that there are two schematics for the three existing wells illustrating the "current" wellbore configuration and the "proposed" wellbore configuration.

| Meridian Oil Inc. | | State " | 16" | |
|-------------------|---------------------|---------------------|---------------------|-------------------|
| OPERATOR | | LEASE | | |
| 4 | 548' FSL & 760' FWL | 16 | T18S | R33E |
| WELL NO. | FOOTAGE LOCATION | SECTION | TOWNSHIP | RANGE |
| Lea County, | | | | |
| COUNTY, S | TATE | | | |
| | Schematic | | Tubular Data | |
| | | Surface Casi | ng | |
| | | Size 13 3/8 | 8 Cemented v | vith 375 |
| | | TOC surface | | nined circulation |
| sec | e attached drawings | Hole size 1 | 17 1/2 by | |
| | | | | |
| | | <u>Intermediate</u> | Casing | |
| | | Size 8 5/8' | " Cemented w | vith 1475 sx |
| | | TOC surface | | ined circulation |
| | | Hole size 1 | 121/4" by | |
| | | Long String | | |
| | | Size 51/2" | Cemented w | vith 846/1172 |
| | | TOC surface | | |
| ** | | | 7 7/8" by | |
| | | Total Depth | 11,460' | |
| - | | rotal beptil | | |
| • | | Injection Inte | erval | |
| | | 5,190 | feet to 5,250 |) feet |
| | | | Perforated with 2 J | ISPF |

EXHIBIT "A"
Page 1 of 4

| Tub | ing size | 2 3/8" | lined with | plastic coateed | set in a |
|------|-----------|--|--------------------|-------------------------------|-------------|
| | _ | | | (materiaal) | |
| Guil | berson G | | packer at | 5,160' | feet |
| | (or des | (brand and model) cribe any other casing-tubing | g seal). | | |
| OTH | IER DATA | <u>7</u> | | | |
| 1. | Name of | the injection formation De | laware | | |
| 2. | Name of | f Field or Pool (if applicable) | Current: We | st Corbin Delaware | |
| | | | Proposed: Ea | st Corbin Delavware Unit | |
| | | | | | |
| 3. | ls this a | new well drilled for injection | ? \ | res X NO | |
| | If no, fo | r what purpose was the well | originally drilled | 1? Wolfcamm oil | |
| 4. | | well ever been perforated in e plugging detail (sacks of ce | - | • | d intervals |
| | 11,388' | - 11,406', 11,188' - 11,238' and | i 10,886' - 10,902 | 2' with CIBP set: @ 10,850' c | apped with |
| | 35' of ce | ement. | | | |
| | 9,870' - | 9,876', 9,890' - 9,904', 9,908' - | 9,918' and 9,936 | 5' - 9,946' with DIBP set @ 9 | ,840'. |
| | 9,010' - | 9,028', 9,034' - 9,044' and 9,09 | 0° - 9,100° with | CIBP set @ 8,9880'. | |
| | 7,326' - | 7,334' and 7,345' - 7,353' with | CIBP set @ 7,2 | 40'. | |
| | See wel | lbore sketches of current and | f proposed con | figuration of well. | |
| 5. | Give the | e depth to and name of any o | verlying and/or | gas zones (poœls) in this a | rea. |
| | Yates-S | even Rivers-Queen at an app | roximate produ | cing zone depttn of 4,300 fe | et. |
| | First Bo | ne Spring carbonate at an ap | proximate top | of 6,900 feet. | |

EXHIBIT "A"
Page 2 of 4

FIELD: WEST CORBIN DATE SPUD:10/05/89 COMP:10/07/89 ELEVATION: 3864' K.B./3851' G.L. LEASE: STATE 16 WELL NO. 4 LOCATION: 548' FSL & 760' FWL, SEC. 16, T18S, R33E LEA COUNTY, NEW MEXICO 13 3/8", 48# @ 355" TOC @ SURFACE 8 5/8*, 24# & 28# @ 2900' TOC @ SURFACE PRESENT CONFIGURATION **DELAWARE PERFORATIONS:** 5192'-5205', 5226'-5248' CIBP @ 7240' CAP W/35' CMT. **BONE SPRING PEFORATIONS:** 9010'-9100', 9870'-9946' CIBP @ 10850' CAP W/35' CMT. **WOLFCAMP PERFORATIONS:** 10866'-10902', 11188'-11238', 11388'-11406' 5 1/2°, 15.5# & 17# @ 11460° PBTD: 11413' TOC @ SURFACE TD: 11460'

> EXHIBIT "A" Page 3 of 4

STAT16#4.DRW

FIELD: WEST CORBIN DATE SPUD: 10/05/89 COMP: 10/07/89

LEASE: STATE 16 WELL NO. 4 ELEVATION: 3864' K.B./3851' G.L

LOCATION: 548' FSL & 760' FWL, SEC. 16, T185, R33E

LEA COUNTY, NEW MEXICO

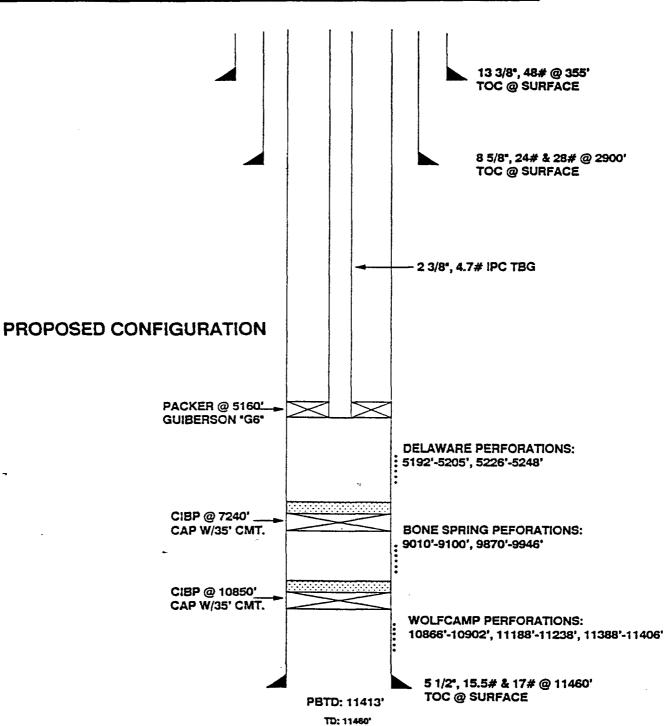


EXHIBIT "A"
Page 4 of 4

ST16#4.DRW

| Meridian | Oil Inc. | State ' | '16" | |
|----------|-----------------------|----------------|---------------------|------------------|
| OPERATO | OR | LEASE | | |
| 8 | 660' FSL & 460' FEL | 16 | T18S | R33E |
| WELL NO | FOOTAGE LOCATION | SECTION | TOWNSHIP | RANGE |
| Lea Coun | | | | |
| | <u>Schematic</u> | | <u>Tubular Data</u> | |
| | | Surface Cas | <u>ing</u> | |
| | | Size 8 5/8 | Cemented w | vith 405 |
| | | TOC surfa | | ined circulation |
| \$ | see attached drawings | Hole size | 12 1/4 by | |
| | | Intermediate | Casing | |
| | | Size _ | Cemented w | vith _ |
| | | TOC - | feet determ | nined _ |
| | | Hole size | - by | |
| | | Long String | | |
| | | Size 51/2" | Cemented w | vith 1536 sx |
| | | TOC surfa | ce feet determ | ined circulation |
| | 7 | Hole size | 7 7/8" by | |
| | | Total Depth | 5,500' | |
| | - | Injection Inte | erval | |
| | | 5,200 | feet to 5,262 | 2 feet |
| | | | Perforated with 2 | SDE |

EXHIBIT "B" Page 1 of 4

| Tubing size 2 3/8" | lined v | | set in a |
|-------------------------------|--|--------------------------|-----------------------|
| Guiberson G-6 | packer at | (material) 5175' | feet |
| (brand and or describe any ot | model) ner casing-tubing seal). | | |
| OTHER DATA | | | |
| 1. Name of the injection | n formation Delaware | | |
| 2. Name of Field or Po | ol (if applicable) Current: | | |
| | Proposed | l: East Corbin Delaware | Unit |
| 3. Is this a new well dri | lled for injection? | YESX N | 0 |
| If no, for what purpo | se was the well originally o | rilled? Delaware oil | |
| | en perforated in any other a etail (sacks of cement or br | | erforated intervals |
| Well has not been p | erforated in any other zone | s. See wellbore schema | atics for the current |
| and proposed confi | juration of well. | | |
| 5. Give the depth to an | d name of any overlying an | d/or gas zones (pools) i | n this area. |
| Yates-Seven Rivers- | Queen at an approximate p | roducing zone depth of | 4,300 feet. |
| First Bone Spring ca | rbonate at an approximate | top of 6.900 feet. | |

EXHIBIT "B" Page 2 of 4

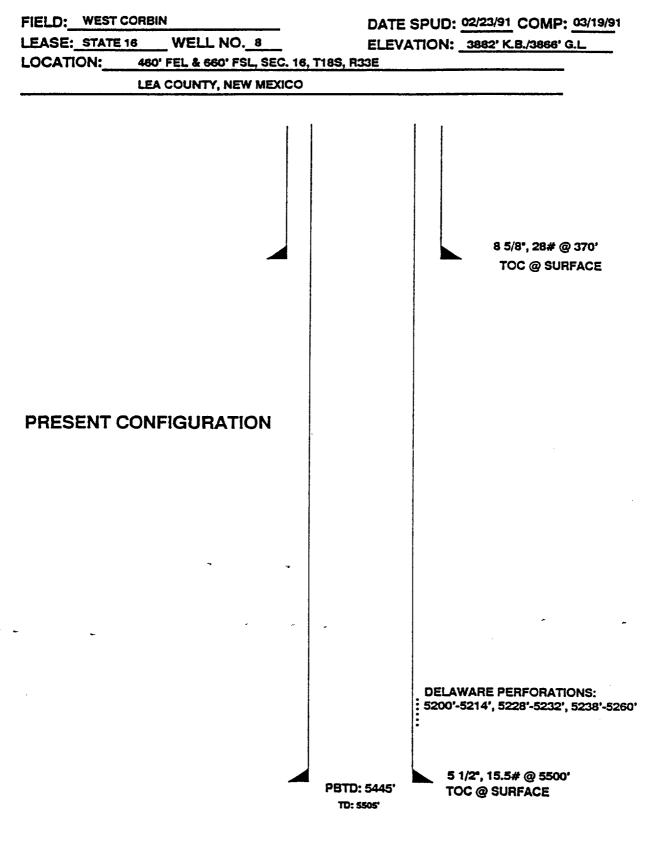


EXHIBIT "B" Page 3 of 4

STAT16#6.DRW

FIELD: WEST CORBIN DATE SPUD: 02/23/91 COMP: 03/19/91 ELEVATION: 3882' K.B./3866' G.L LEASE: STATE 16 WELL NO. 8 LOCATION: 460' FEL & 660' FSL, SEC. 16, T18S, R33E LEA COUNTY, NEW MEXICO 8 5/8", 28# @ 370' TOC @ SURFACE - 23/8", 4.7# IPC TBG. PROPOSED CONFIGURATION PACKER @ 51751-GIUBERSON 'G6' **DELAWARE PERFORATIONS:** 5200'-5214', 5228'-5232', 5238'-5260' 5 1/2", 15.5# @ 5500" **TOC @ SURFACE** PBTD: 5445'

> EXHIBIT "B" Page 4 of 4

TD: 5505'

ST16#8LDRW

| Southland Ro | yaity Company | rederal " | 21" | |
|---------------|----------------------|------------------|----------------------|-----------------|
| OPERATOR | | LEASE | | |
| 4 | 779' FNL & 1943' FWL | 21 | T18S | R33E |
| WELL NO. | FOOTAGE LOCATION | SECTION | TOWNSHIP | RANGE |
| Lea County, N | | | | |
| | 7 1 100 | | | |
| | Schematic | | Tubular Data | |
| | | Surface Casing | | |
| | | Size 8 5/8" | Cemented wi | th 200 sx |
| | | TOC surface | feet determi | ned circulation |
| see a | attached drawings | Hole size 12 | 1/4 by | |
| | | | | |
| | | Intermediate Ca | sing | |
| | | Size _ | Cemented wi | th _ |
| | | TOC - | feet determi | ned _ |
| | | Hole size - | by | |
| | | | | |
| | | Long String | | |
| | | Size 51/2" | Cemented wi | th 900 sx |
| | 7 | TOC surface | – feet determi | ned circulation |
| | | Hole size 77 | /8" by | |
| | * | Total Depth | 5,500' | |
| - | | - | | <u> </u> |
| | | Injection Interv | al | |
| | | 5,190 | feet to 5,250 | feet |
| | | | Perforated with 2 JS | SPF |

EXHIBIT "C"
Page 1 of 4

| Tub | ing size | 2 3/8" | lined with | plastic coated | set in a |
|-----------|-----------|---|--------------------|------------------|-------------------------|
| | | | | (material |) |
| Gui | berson G | | packer at | 5,125' | feet |
| | | (brand and model) | | | |
| | (or des | cribe any other casing-tubing | g seal). | | |
| | | | | | |
| <u>OT</u> | HER DATA | <u>4</u> | | | |
| 1. | Name of | the injection formation De | elaware | | |
| 2. | Name of | f Field or Pool (if applicable) | | | |
| | | | Proposed: Eas | st Corbin Delawa | are Unit |
| | | | | | |
| 3. | Is this a | new well drilled for injection | 1? Y | ES X | NO |
| | If no, fo | r what purpose was the well | originally drilled | l? Delaware oi | 1 |
| 4. | | well ever been perforated in e plugging detail (sacks of co | • | • | n perforated intervals |
| | Well ha | s not been perforated in any | other zones. Se | ee wellbore sche | ematics for the current |
| | and pro | posed configuration of well. | | | |
| 5. | Give the | e depth to and name of any o | verlying and/or | gas zones (pool | s) in this area. |
| | Yates-S | even Rivers-Queen at an app | roximate produc | ing zone depth | of 4,300 feet. |
| | First Bo | ne Spring carbonate at an ap | proximate top o | f 6,900 feet. | |

EXHIBIT "C"
Page 2 of 4

FIELD: WEST CORBIN DATE SPUD: 12/01/89 COMP: 01/05/90 ELEVATION: 3862' K.B./3846 G.L LEASE: FEDERAL 21 WELL NO. 4 779 FNL & 1943 FWL, SEC 21, T18S, R33E LOCATION: LEA COUNTY, NEW MEXICO 8 5/8", 24# @ 370" TOC @ SURFACE PRESENT CONFIGURATION **DELAWARE PERFORATIONS:** 5156'-5166', 5190'-5206', 5230'-5246' 5 1/2", 15.5# @ 5500" PBTD: 5454' TOC @ SURFACE TD: 5500'

FED21#4.DRW

EXHIBIT "C" Page 3 of 4

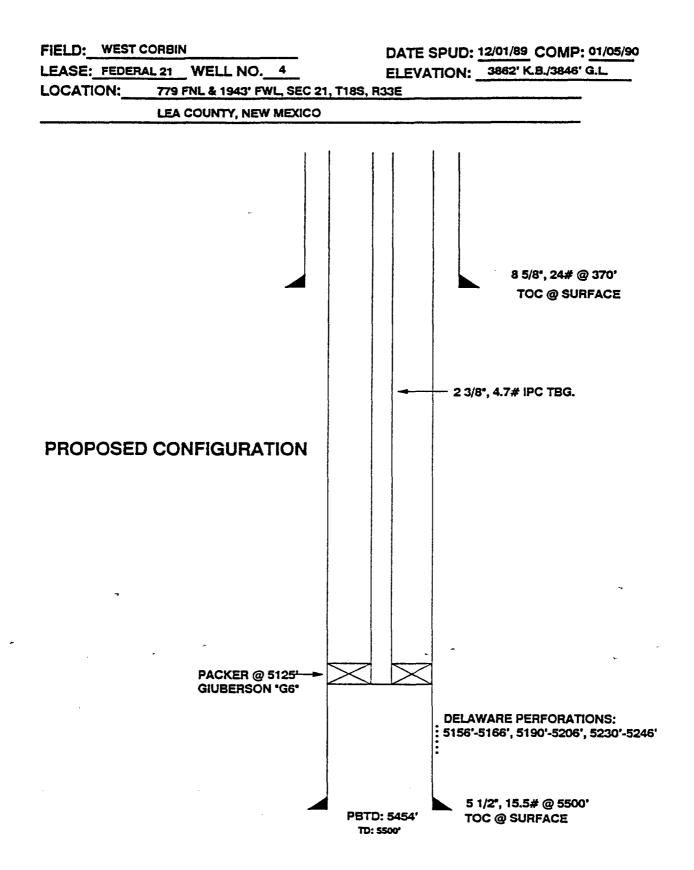


EXHIBIT "C" Page 4 of 4

P21#4.DRW

| Meridian Oil Inc. | | Federal | I "MA" | |
|----------------------|----------------------|---------------------------|-----------------------------------|--|
| OPERATO | OR . | LEASE | | |
| 11 | 779' FNL & 1943' FWL | 21 | T18S | R33E |
| WELL NO | . FOOTAGE LOCATION | SECTION | TOWNSHIP | RANGE |
| Lea Count COUNTY, | | | | |
| | <u>Schematic</u> | | <u>Tubular Data</u> | |
| | | Surface Casii | <u>nq</u> | |
| | | Size 8 5/8" | ' Cemented to | surface |
| | | TOC surfac | | ned circulation |
| S | ee attached drawings | Hole size 1 | 2 1/4 by | |
| | | Intermediate Size _ TOC _ | Casinq Cemented wi feet determine | |
| | | Hole size | | |
| | | Long String | | and the second s |
| | | Size 51/2" | Cemented to | surface |
| | | TOC surfac | e feet determi | ned circulation |
| | | Hole size 7 | 7/8" by | |
| | <u>.</u> | Total Depth | 5,500° | |
| | • • | Approximate | Injection Interval | Σ |
| | • | 5,200 | feet to 5,270 | feet |
| | | | Perforated with 2 JS | PF |

EXHIBIT "D"
Page 1 of 3

| Tub | ing size | 2 3/8" | lined with | plastic coated | set in a |
|-----|-----------|--|--------------------|-----------------------------|--------------|
| | | | | (material) | |
| Gui | berson G | | packer at | 5,125' | feet |
| | | (brand and model) | | | |
| | (or des | cribe any other casing-tubin | g seal). | | |
| | | | | | |
| OTH | ER DATA | <u> </u> | | | |
| | | | _ | | |
| 1. | Name of | the injection formation De | laware | | |
| 2. | Name o | f Field or Pool (if applicable) | Currents Me | et Carbin Dalawara | |
| ۷. | Maitle O | rieid of Pool (ii applicable) | | st Corbin Delaware Unit | |
| | | | 1 Toposeu. La. | 30 COIDIN Delaware Onic | |
| | | | | | |
| 3. | Is this a | new well drilled for injection | 1?XY | 'ES NO | |
| | | | | | |
| | If no, fo | r what purpose was the well | originally drilled | i? _n/a | |
| | 1145 | | | | 1.* |
| 4. | | well ever been perforated in e plugging detail (sacks of co | • | | ed intervals |
| | and giv | e plugging detail (sacks of co | ement of bridge | plag(s) useu). | |
| | This is | a proposed drill well. See w | ellbore sketches | s of proposed configuration | on of well. |
| | | | | | |
| _ | Cina Ab | | | (-) in this | |
| 5. | Give the | e depth to and name of any o | veriging and/or | gas zones (pools) in this | area. |
| | Yates-S | even Rivers-Queen at an app | roximate produ | cina zone depth of 4.300 (| eet. |
| | | | | | |
| | Litzt Bo | ne Spring carbonate at an ap | proximate top o | t 6,500 feet. | |

EXHIBIT "D"
Page 2 of 3

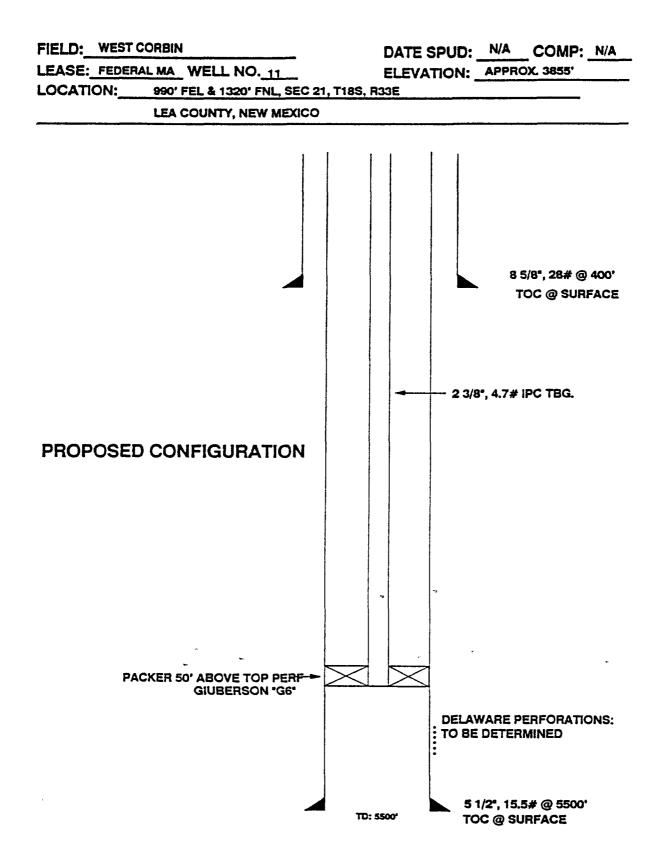


EXHIBIT "D" Page 3 of 3

FEDMA#11.DRW

IV. This is not an expansion of an existing Meridian Oil, Incorporated project.

V. Area of Review

Two maps are provided for each proposed injection well for a total of 8 maps. "Exhibit E" maps have a scaled, two-mile radius circle drawn around each proposed injection well that identifies all wells and leases within two miles. "Exhibit F" maps have a scaled, one-half mile radius circle drawn around each proposed injection well that identifies each well's area of review. The following notation was used for the four injection wells:

| WELL | EXHIBIT E DESIGNATION | EXHIBIT F DESIGNATION |
|----------------|-----------------------|-----------------------|
| State "16" #4 | EXHIBIT E-1 | EXHIBIT F-1 |
| State "16" #8 | EXHIBIT E-2 | EXHIBIT F-2 |
| Fed. "21" #4 | EXHIBIT E-3 | EXHIBIT F-3 |
| Federal MA #11 | EXHIBIT E-4 | EXHIBIT F-4 |

VI. Data for Wells in Area of Review

All wells of public record within the "area of review" that penetrate the proposed Delaware injection zone are tabulated on the following pages (listed in order by section number, unit letter and well number). In addition to the tabulated data, there is a wellbore schematic illustrating the details of the only well in the area of review - penetrating the injection zone - that is plugged (Exhibit G).

BTA Oil Producers, Corbin 675 LTD #1

Unit L, Section 15, T18S-R33E, Lea Co., NM.

D & A well.

Spud 10/11/67, TD = 13,500'.

13 3/8 @ 381' w/350 sx,

9 5/8 @, 5,065' w/900 sx.

50 sx cmt 13,050' - 13,200'.

25 sx cmt 12,125' - 12,200',

25 sx cmt 10,125' - 10,200',

25 sx cmt 7,225' - 7,300',

25 sx cmt 5,625' - 5,700',

25 sx cmt 5,005' - 5,080',

35 sx cmt 1,550' - 1,650',

35 sx cmt 345' - 395',

10 sx cmt to surface.

Plugged 12/20/67.

Meridian Oil Inc., Percha "15" Federal COM #3

Unit L, Section 15, T18S-R33E, Lea Co., NM.

Shut-in well.

Spud 7/23/92, TD = 11,550'.

13 3/8 @ 420' w/425 sx, surface,

8 5/8 @ 2,955' w/1,250 sx, circulated,

5 1/2 @ 11,550' w/1950 sx.

TOC @ 1,300', determined by Cement Bond Log.

Perforated 11,147' - 11,376'.

Completed 8/21/92.

Meridian Oil Inc., Percha State "15" #1 Unit M, Section 15, T18S-R33E, Lea Co., NM. Oil well. Spud 6/13/91, TD = 5,491'. 8 5/8 @ 432' w/300 sx, 5 1/2 @ 5,491' w/1,400 sx, TOC @ surface, circulated.

Perforated 5,100' - 5,266'. Completed 7/14/91.

Meridian Oil Inc., Percha State "15" #2Y

Unit N, Section 15, T18S-R33E, Lea Co., NM.

Oil well.

Spud 9/1/91, TD = 11,590.

13 3/8 @ 436' w/425 sx,

8 5/8 @ 2,904' w/1350 sx,

5 1/2 @ 11,590' w/1590 sx,

TOC @ 3,245, determined by Cement Bond Log.

Perforated 10,918' - 11,434'.

Not completed.

CIBP @ 10,870'.

Perforated 9,912' - 9,940'.

Completed 12/3/91.

Meridian Oil Inc., State "16" #1

Unit J, Section 16, T18S-R33E, Lea Co., NM.

Oil well.

Spud 2/27/87, TD = 12,500'.

13 3/8 @ 372' w/350 sx, circulated,

9 5/8 @ 3,000' w/1,300 sx, circulated,

5 1/2 @ 12,500' w/2815 sx, TOC @ 2,075' determined by Temperature Survey.

Perforated 11,231' - 11,303'.

Completed 4/15/87.

OWWO

Perforated 11,036' - 11,082'.

Completed 4/26/88.

Meridian Oil Inc., State "16" #3

Unit L, Section 16, T18S-R33E, Lea Co., NM.

Shut-in well.

Spud 10/22/88, TD = 11,450'.

13 3/8 @ 358' w/350 sx, surface,

8 5/8 @ 2,900' w/1,300 sx, surface,

5 1/2 @ 11,450' w/1,460 sx, TOC @ 3,275' determined by Cement Bond Log.

Perforated 11,008' - 11,042'.

Completed 12/8/88.

owwo

CIBP @ 10,500' w/cmt plug @ 10,465' - 10,500' w/35 sx.

Perforated 7,999' - 9,550'.

Completed 4/4/89.

owwo

CIBP @ 7,250' w/cmt plug @ 7,215' - 7,250' w/35 sx.

Perforated 5,218' - 5,246'.

Completed 1/24/91.

Meridian Oil Inc., State "16" #4

Unit M, Section 16, T18S-R33E, Lea Co., NM.

Oil well.

Spud 10/5/89, TD = 11,460.

13 3/8 @ 355' w/90 sx, circulated,

9 5/8 @ 2,900' w/1,225 sx, circulated,

5 1/2 @ 11,460' w/1,675 sx, circulated.

Perforated 11,388' - 11,406'.

Not completed.

CIBP @ 11,345'.

Perforated 10,886' - 11,238'.

Completed 8/3/89.

owwo

CIBP @ 10,850' w/cmt plug @ 10,815' - 10,850' w/35 sx.

Perforated 9,870' - 9,946'.

Not completed.

CIBP @ 9,840'.

Perforated 9,010' - 9,100'.

Not completed.

CIBP @ 8,980'.

Perforated 7,326' - 7,353'.

Not completed.

CIBP @ 7,280'.

Perforated 5,192' - 5,248'.

Completed 10/7/89.

Mcridian Oil Inc., State "16" #2 Unit N, Section 16, T18S-R33E, Lea Co., NM. Oil well. Spud 4/16/88, TD = 13,651'. 13 3/8 @ 350' w/370 sx, circulated, 9 5/8 @ 2,910' w/1,085 sx, 5 1/2 @ 13,640' w/1,940 sx, TOC @ 2,914' determined by Cement Bond Log. Perforated 13,363' - 13,369'. Not completed. CIBP @ 13,300' w/cmt plug @ 13,365' - 13,300' w/35 sx. Perforated 11,400' - 11,434'. Completed 7/10/88.

Meridian Oil Inc., State "16" #5
Unit N, Section 16, T18S-R33E, Lea Co., NM.
Oil well.
Spud 11/29/88, TD = 5,450'.
8 5/8 @ 350' w/250 sx, circulated,
5 1/2 @ 5,450' w/1,200 sx, circulated TOC.
Perforated 5,184' - 5,544'.
Completed 1/20/89.

Meridian Oil Inc., State "16" #6
Unit O, Section 16, T18S-R33E, Lea Co., NM.
Oil well.
Spud 3/11/90, TD = 5,510'.
8 5/8 @ 461' w/325 sx, circulated,
5 1/2 @ 5,510' w/1,000 sx, circulated.
Perforated 5,097' - 5,245'.
Completed 10/28/90.

Meridian Oil Inc., State "16" #7
Unit P, Section 16, T18S-R33E, Lea Co., NM.
Oil well.
Spud 11/3/90, TD = 11,550'.
13 3/8 @ 391' w/400 sx, circulated,
8 5/8 @ 2,928' w/1,400 sx, circulated,
5 1/2 @ 11,550' w/2,120 sx, TOC @ 4,900' determined by Cement Bond Log.
Perforated 11,204' - 11,264'.
Completed 12/20/90.

Meridian Oil Inc., State "16" #8
Unit P, Section 16, T18S-R33E, Lea Co., NM.
Oil well.
Spud 2/23/91, TD = 5,505'.
8 5/8 @ 370' w/405 sx, circulated,
5 1/2 @ 5,500' w/1,530 sx, circulated.
Perforated 5,200' - 5,260'.
Completed 3/24/91.

Southland Royalty Company, Federal MA #7
Unit A, Section 21, T18S-R33E, Lea Co., NM.
Oil well.
Spud 8/21/90, TD = 5,500'.
8 5/8 @ 400' w/325 sx,
5 1/2 @ 5,495' w/2,100 sx.
Perforated 5,148' - 5,264'.
Completed 9/23/90.

Southland Royalty Company, Federal MA #4
Unit B, Section 21, T18S-R33E, Lea Co., NM.
Oil well.
Spud 5/16/89, TD = 11,511'.
13 3/8 @ 370' w/300 sx,
8 5/8 @ 2,900' w/1500 sx,
5 1/2 @ 11,511' w/2,435 sx,
TOC @ surface, circulated.
Perforated 10,948' - 11,442'.
Completed 8/3/89.

Southland Royalty Company, Federal MA #6
Unit B, Section 21, T18S-R33E, Lea Co., NM.
Oil well.
Spud 12/17/89, TD = 5,500'.
8 5/8 @ 370' w/250 sx,
5 1/2 @ 5,500' w/1,035 sx.
Perforated 5,140' - 5,252'.
Completed 1/12/90.

Southland Royalty Company, Federal "21" #4
Unit C, Section 21, T18S-R33E, Lea Co., NM.
Shut-in oil well:
Spud 12/1/89, TD = 5,500'.
8 5/8 @ 362' w/250 sx,
5 1/2 @ 5,500' w/1,150 sx,
TOC @ 1,620' determined by Cement Bond Log.
Perforated 5,156' - 5,246'.
Completed 1/5/90.

Southland Royalty Company, Federal "21" #3
Unit F, Section 21, T18S-R33E, Lea Co., NM.
Oil well.
Spud 12/31/89, TD = 11,538'.
13 3/8 @ 351' w/370 sx,
8 5/8 @ 2,903' w/1,250 sx,
5 1/2 @ 11,538' w/1,510 sx,
TOC @ 2,900' determined by Cement Bond Log.
Perforated 11,103' - 11,378'.
Completed 2/13/90.

Southland Royalty Company, Federal MA #10

Unit G, Section 21, T18S-R33E, Lea Co., NM.

Oil well.

Spud 9/7/93, TD = 11,527'.

13 3/8 @ 406' w/425 sx, surface,

8 5/8 @ 3,037' w/1,250 sx, circulated,

5 1/2 @ 11,452' w/2,225 sx,

TOC @ 3,068', determined by Temperature Survey.

Perforated 11,154' - 11,260'.

Not completed.

CIBP @ 11,100' w/cmt plug @ 11,065' - 11,100' w/35 sx.

Perforated 10,400' - 10,418'.

Not completed.

CIBP @ 10,350' w/cmt plug @ 10,315' - 10,350' w/35 sx.

Perforated 7,384' - 7,421'.

Completed 10/25/93.

Southland Royalty Company, Federal MA #8

Unit H, Section 21, T18S-R33E, Lea Co., NM.

Oil well.

Spud 1/16/92, TD = 11,540'.

13 3/8 @ 416' w/425 sx,

8 5/8 @ 2,928' w/1,350 sx,

5 1/2 @ 11,540' w/2,175 sx,

TOC @ 1,812' determined by Cement Bond Log.

Perforated 11,150' - 11,242'.

Completed 2/24/92.

Southland Royalty Company, Federal MA #2

Unit I, Section 21, T18S-R33E, Lea Co., NM.

Oil well.

Spud 4/24/67, TD = 13,461'.

13 3/8 @ 350' w/300 sx,

8 5/8 @ 4,984' w/1,100 sx,

5 1/2 @ 13,461' w/1000 sx,

TOC @ 4,850' determined by Temperature Survey.

Dual completion:

Perforated 13,218' - 13,424'.

Perforated 11,052' - 11,217'.

Completed 8/4/67.

owwo

CIBP @ 12,850' w/cmt plug @ 12,815' - 12,850' w/35 sx.

Perforated 10,518' - 10,541'.

Completed 8/23/87.

owwo

CIBP @ 10,450' w/cmt plug @ 10,415' - 10,450' w/35 sx.

Perforated 8,620' - 9,600'.

Completed 10/23/90.

Meridian Oil Inc., Federal MA #9
Unit J, Section 21, T18S-R33E, Lea Co., NM.
Oil well.
Spud 11/26/92, TD = 11,550'.
13 3/8 @ 405' w/425 sx, circulated,
8 5/8 @ 2,920' w/2,250 sx, circulated,
5 1/2 @ 11,550' w/2,035 sx,
TOC @ 300', determined by Cement Bond Log.
Perforated 11,139' - 11,247'.
Completed 1/13/93.

Southland Royalty Company, Federal "21" #2
Unit K, Section 21, T18S-R33E, Lea Co., NM.
Oil well.
Spud 3/24/89, TD = 11,465'.
13 3/8 @ 350' w/370 sx,
8 5/8 @ 2,900' w/1,380 sx,
5 1/2 @ 11,465' w/1,695 sx.
Perforated 11,004' - 11,202'.
Completed 5/5/89.

Southland Royalty Company, Aztec "22" Federal #2 Unit D, Section 22, T18S-R33E, Lea Co., NM. Oil well.

Spud 7/2/91, TD = 11,430'.

13 3/8 @ 450' w/475 sx,

8 5/8 @ 2,900' w/1,250 sx,

5 1/2 @ 11,430' w/1,540 sx,

TOC EOT ± 2,900'.

Perforated 11,252' - 11,304'.

Completed 8/12/91.

Southland Royalty Company, Aztec "22" Federal #3
Unit D, Section 22, T18S-R33E, Lea Co., NM.
Oil well.
Spud 3/13/93, TD = 5,500'.
8 5/8 @ 420' w/300 sx,
5 1/2 @ 5,500' w/1,600 sx,
TOC @ surface, circulated.
Perforated 5,194' - 5,250'.
Completed 4/16/93.

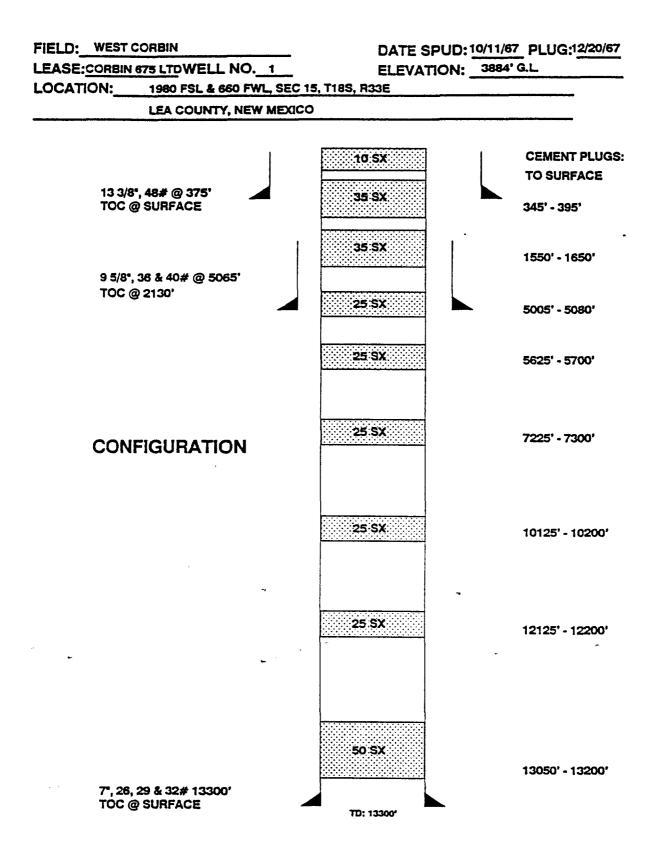


EXHIBIT "G" Page 1 of 1

VII. Proposed Operation

- 1) The proposed, average daily injection rate is 1800 BOPD/well. The proposed, maximum injection rate is 3,000 BOPD/well.
- 2) The system will be closed.
- 3) The proposed, average injection pressure is 500 psi. The proposed, maximum pressure is 1,050 psi.
- 4) The source of the injection fluid is produced water from the Delaware, Wolfcamp and Bone Spring formations. The receiving formation will be the Delaware. A water analysis showing compatibility between the produced water and the receiving formation is attached (see Exhibit "H"). The produced fluid sample was taken from the West Corbin Tank Batteries; water samples were taken from the State "16" #4 and the Federal MA #7.

VIII. Geological Data on the Injection Zone

Lithological Description:

The proposed East Corbin (Delaware) Unit produces oil and gas from a series of fine to very fine-grained arkosic sandstones of the middle Permian age Delaware Group.

Geological Name:

The proposed zone for injection is the Delaware formation.

Thickness:

Federal "21" #4: 90'
State "16" #4: 56'
State "16" #8: 60'

Federal "MA" #11: 80' (approximate)

Depth:

The top of the producing zone is as follows:

Federal "21" #4: 5,156'
State "16" #4: 5,192'
State "16" #8: 5,200'

Federal "MA" #11: 5,200' (approximate)

Fresh Water Sources:

In the immediate area of the subject wellbores, fresh water has been encountered in aquifers above 250 feet. These aquifers are found in the Pliocene age Ogallala and Pleistocene age alluvial sediments and consist for the most part of alternating calcareous silt, fine sand and clay. In the wellbores listed above, these aquifers are present to a depth of 250' and are protected by 13-3/8" surface casing set to depths from 340' to 430'. In addition, 5-1/2" production casing has been run to bottom in all three well bores. There are no sources of fresh water underlying the proposed injection intervals.

IX. Proposed Stimulation Program

The proposed stimulation program is a 3,000 gallon treatment of 15% NeFe HCl acid.

X. Injection Well Logging and Test Data

Log sections are attached with the proposed interval indicated (Exhibit"I").

XI. Fresh Water Analysis

There are no fresh water wells within one mile of any of the proposed injection wells. The closest water wells are in sections 14 and 27 as shown on Exhibit "J".

XII. Hydrologic Communication

An examination of seismic data and available subsurface information indicates there is no evidence of open faults on any other hydrologic connection between the injection zones and any underground source of drinking water.

XIII. Proof of Notice

Proof of notice is attached (Exhibit "K").

XIV. Certification

Certification is on form C-108.

If any further data are required or need clarification, please contact Chet A. Babin at (915) 688-6964. We appreciate your assistance in helping us initiate this project.

Chet A. Babin, P. E. Reservoir Engineer Texas License #77279 P. O. BOX 1468 MONAHANS, TEXAS 79756 (915) 943-3234 or 563-1040 709 W. INDIANA MIDIAND, TEXAS 7970 : (915) 683-4521

November 23, 1994

Mr. Chet Babin Meridian Oil Company P.O. Box 51810 Midland, TX 79710

Subject: Recommendations relative to laboratory #1194144 (11-21-94), West

Corbin Unit.

Dear Mr. Babin:

The objective herein is to provide an evaluation of the compatibility between the waters represented in these analyses in regard to injecting a mixture of Delaware, Bone Springs, and Wolfcamp into the Delaware.

It is noted that we did find a significant amount of oxygen in the water at the injection pumps, but it is obvious that this would be due to air contamination and not representative of a natural condition in this water. The air contamination would create some incompatibility as a result of soluble iron in the other waters. Of course, there was some minor iron oxide in the water at the injection pumps. However, if the air contamination is prevented, then there would be no incompatibility identified as a result of any combination of these waters. This is to say that there would be neither scaling potential nor precipitation as a result of mixing the waters.

In general, we find no evidence to suggest there would be any compatibility problem as a result of injecting the mixture of Delaware, Bone Springs, and Wolfcamp into the Delaware.

In addition to the above discussion of compatibility, the results indicate satisfactory injection quality in the present injection water. The total amount of suspended matter and the fact that the suspended material showed microscopically to be essentially all very fine material would be indicative of this satisfactory injectability.

Yours very truly

Way Yan C. Marein

WCM/mo

P. O. BOX 1468 MONAHANS, TEXAS 79756 PH. 943-3234 OR 563-1040

RESULT OF WATER ANALYSES

| O: <u>Mr. Chet Babin</u> P.O. Box 51810, Midland, TX 79710 | SA | BORATORY NO. | 1194144 (Cor | | | | | | |
|--|--|-----------------|--|---|--|--|--|--|--|
| P.O. Box 51810, Midland, TX 79710 | SA | | 11-41-34 | | | | | | |
| C.O. BOX SECTOR (III III) | | MPLE RECEIVED _ | 11-23-94 (11 | -29-94) | | | | | |
| | | SULTS REPORTED. | | | | | | | |
| COMPANY Meridian Oil Company | | SEWest (| Corbin Unit | | | | | | |
| | outh Corbin | e | ······································ | | | | | | |
| SOUTH CORDIN STATE NM STATE | | | | | | | | | |
| CHOCE OF CAMPLE AND DATE TAKEN. | | | <u> </u> | | | | | | |
| Produced water - taken from | State "16" # | 4. 11-21-94 | | | | | | | |
| NO.1 Produced water - taken from | NO.1 Produced water - taken from State "16" #4. 11-21-94 NO.2 Produced water - taken from Federal "MA" #7. 11-21-94 | | | | | | | | |
| NO.2 Floudced water - taken from redetal ris w/. 11-41-74 | | | | | | | | | |
| NO.3 Mixed water - taken from injection pump disclarge. 11-21-94 | | | | | | | | | |
| NO. 4 | | | | | | | | | |
| REMARKS: 1 & 2 Delaware 3. | Delaware, B | one Springs, | & Wolfcamp | | | | | | |
| | AL AND PHYSICAL | | | | | | | | |
| CHEMIC | NO. 1 | NO. 2 | NO. 3 | NO. 4 | | | | | |
| Specific Gravity at 60° F. | 1.1703 | 1.1708 | 1.1432 | | | | | | |
| pH When Sampled | | | 7.2 | | | | | | |
| pH When Received | 5.56 | 5,92 | 6.38 | | | | | | |
| Bicarbonate as HCO, | 161 | 181 | 327 | | | | | | |
| Supersaturation as CaCO, | 8 | 4 | 4 | | | | | | |
| Undersaturation as CaCO, | | | | | | | | | |
| Total Hargness as CaCO, | 65,500 | 69,500 | 34,500 | | | | | | |
| Calcium as Ca | 18,800 | 20,600 | 10,400 | | | | | | |
| Magnesium as Mg | 4,495 | 4,374 | 2,066 | ** ** · · · · · · · · · · · · · · · · · | | | | | |
| Sodium and/or Potassium | 72,466 | 72,430 | 73,194 | | | | | | |
| Suifate as SO. | 576 | 480 | 1,044 | | | | | | |
| Chloride as Cl | 157,662 | 160,503 | 136,356 | | | | | | |
| Iron as Fe | 1.5 | 3.6 | 1.8 | | | | | | |
| Barrum as Ba | | 3.0 | 0 | | | | | | |
| Turoidity, Electric | | | 51 | | | | | | |
| Color as Pt | | | 48 | | | | | | |
| Total Solids, Calculated | 254,160 | 258,568 | 223,387 | | | | | | |
| Temperature *F. | 234,100 | 230,300 | 70 | | | | | | |
| Carbon Dioxide, Calculated | 660 | 380 | 36 | | | | | | |
| Dissolved Oxygen. | 000 | 300 | 1.8 | | | | | | |
| | 0.0 | | | | | | | | |
| Hydrogen Suifide | 0.0 | 0.0 | 0.0 | . | | | | | |
| Resistivity, ohms/m at 77° F. | 0.050 | 0.050 | | | | | | | |
| Suspended Oil | | | 10 | | | | | | |
| Filtrable Solids as mg/l | | | 20.5 | | | | | | |
| Volume Filtered, mi | 247 244 | 21.6 206 | 400 | | | | | | |
| Total Dissolved Solids @ 180°F. | 247,244 | 246,296 | 212,252 | | | | | | |
| | | | | | | | | | |
| | ente General à - 1410 | | <u> </u> | | | | | | |
| | suits Reported As Milligra | | | | | | | | |
| Additional Determinations And Remarks Letter of | recommendati | .ou attached. | | · · · · · · · · · · · · · · · · · · · | | | | | |
| | | | | | | | | | |
| | · | | | | | | | | |
| | | | | | | | | | |
| | | | · · · · · · · · · · · · · · · · · · · | ···· | | | | | |
| | | | | | | | | | |
| | | | | · · · · · · · · · · · · · · · · · · · | | | | | |
| | | | | | | | | | |
| | | 47127 - | 32 | | | | | | |
| Form No. 3 | | 1 // // | Melan | | | | | | |

EXHIBIT "H"

Waylan C. Martin, M.A.

COMPANY ACRESIAN BIL INCOMPANATES

WILL: ST. 16 44

FIGURE S. CRESSA WELFCAME
COMMITS LEA
REAL ST. 16 45

FIGURE STATE A MEL CRESSA
RATION WA
LOCATION WA
LOCATION WA
LOCATION WA
LOCATION STUDIE SAL.

ELLY. ST PERM. SATURE 3591.2 F SEC. 138

FORTHAMPER STUDIE L. J. 340 FTL

LOC HESTURES FROM E. J. 37 387.3 F SEC. 138

ANT. ST. ST. SATURE 3591.2 F SEC. 138.4 F SEC. 138

SATE A JEE SO

SECTION WELLES SATURE SATURE

MOI State "16" #4

Perfs: 5192' - 5248'
IPP: 168 BOPD
353 BWPD
85 MCFGPD

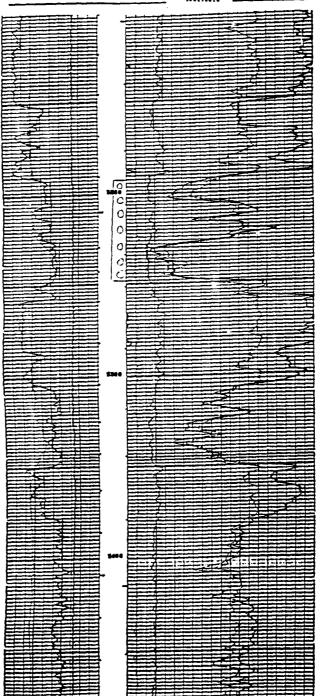
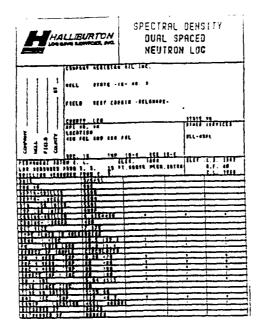


EXHIBIT "I"
Page 1 of 3



MOI State "16" #8

Perfs: 5200' - 5260' IPP: 200 BOPD 115 BWPD 100 MCFGPD

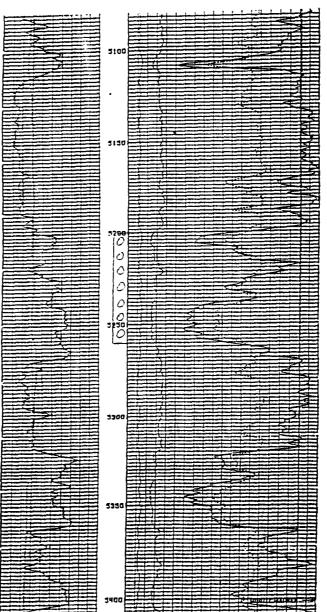
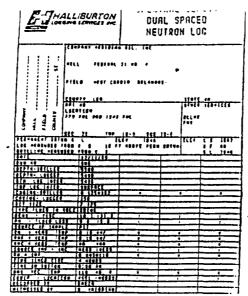


EXHIBIT "I"
Page 2 of 3



MOI Federal "21" #4

Perfs: 5156' - 5246' IPP: 36 BOPD 210 BWPD 30 MCFGPD

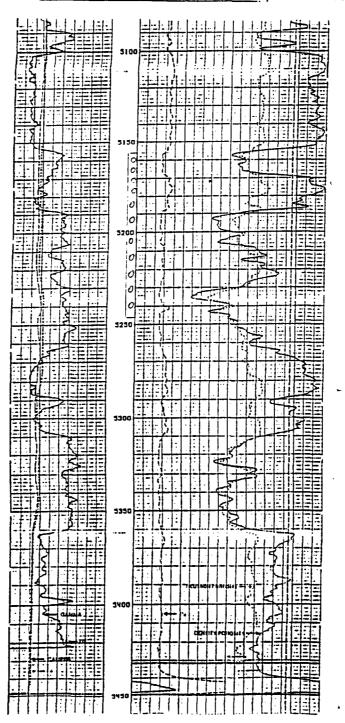
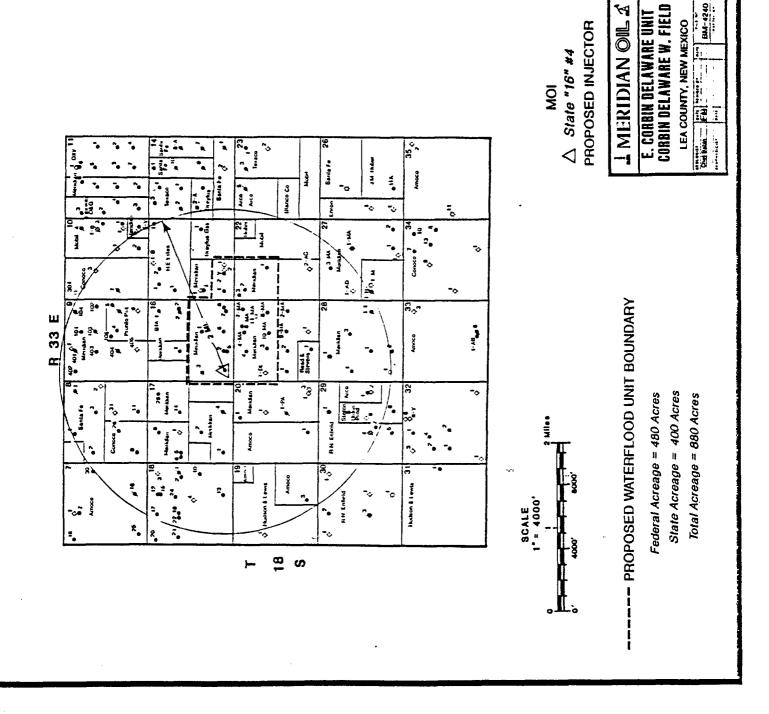
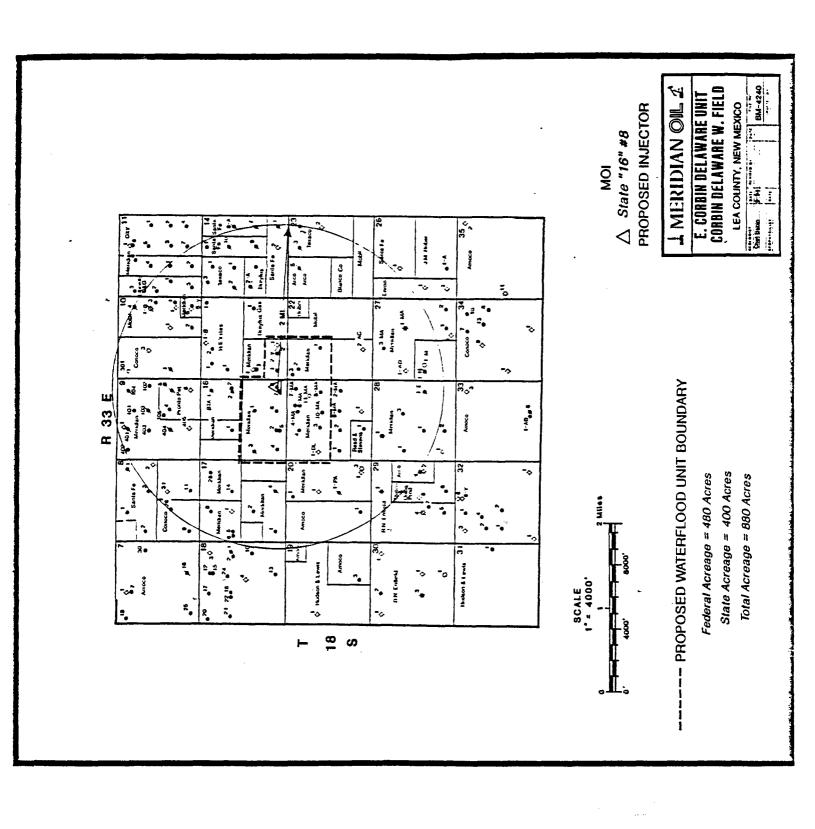
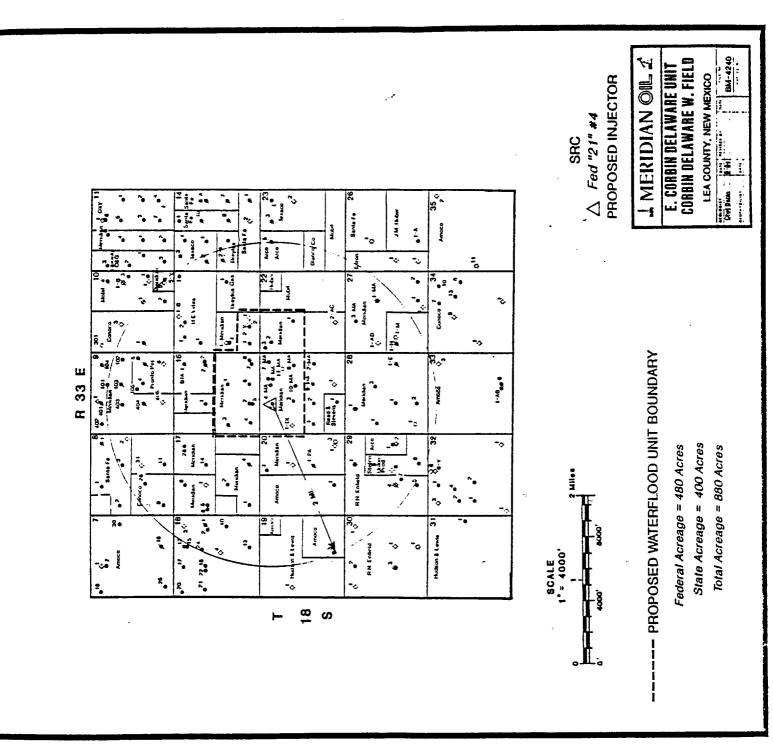


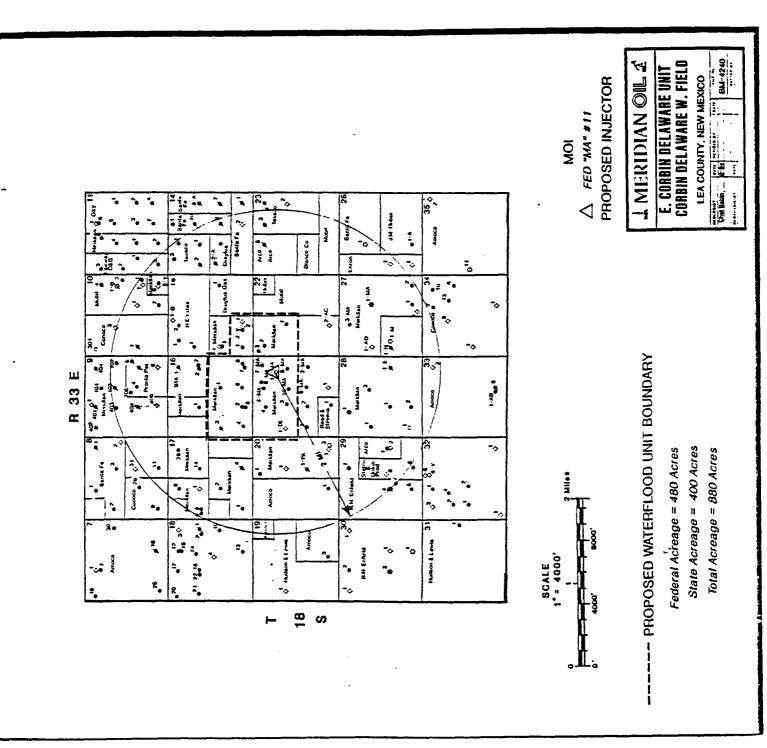
EXHIBIT "I"
Page 3 of 3





ζ





The second of the second

