N.M. Oil Cons. Division
1625 N. French Dr.
Hobbs, NM 88240

Form 3160-5
(September 2001)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires January 31, 2004

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

5. Lease Serial No.
NMNM 29697

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

1. Type of Well
☒ Oil Well ☐ Gas Well ☐ Other

8. Well Name and No.
FEDERAL 6 #1 + #2

2. Name of Operator
CAMERON Oil and GAS CO. INC.

9. API Well No.
30-025-27739, 30-025-30738

3a. Address
P O Box 1455 Roswell NM

3b. Phone No. (include area code)
505-627-3284

10. Field and Pool, or Exploratory Area
CORBIN Queen

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
UNIT A NW1/4 SW1/4 Sec. 6, T-18S, R-33E
LEA CO NM 1650/SL 330/WL (#2)

11. County or Parish, State
LEA CO N.M.

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☒ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☐ Other
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☒ Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

CAMERON Oil and GAS CO INC., Request permisson to Disposa of Produced WATER ON THE ABOVE Lease.

See ATTACHED INFORMATION

APPROVED
JUN - 4 2003
GARY GOURLEY
PETROLEUM ENGINEER

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed) G. DAVID Sweeney
Title OPERATIONS MANAGER
Signature G David Sweeney
Date 5-22-03

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by
Title
Date
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Office

RECEIVED
JUN 2003
Hobbs
OCD

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

GWW

~~SEE ATTACHED FOR CONDITIONS OF APPROVAL~~

Information for approval to dispose of produced water.

1. Formation = Corbin Queen

2. Amount of water produced = 6 BWPD.

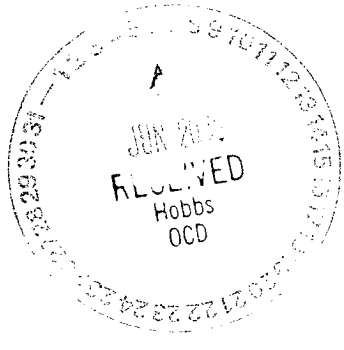
3. See attached water analysis report.

4. How water is stored on lease = 2 open top, (covered with nets) steel tanks, 1 – 85 BBL, 1 –120 BBL

5. How water is moved to disposal facility = Water is trucked of lease by commercial trucking company.

6. Disposal facility = A. = Basin Alliance LLC.
   B. = State AJ
   C. = (SWD) Well # 1
   D. = SW ¼, NE ¼ Unit G Sec. 33 T-18S, R-36E. Lea Co. NM

7. = See attached UIC permit.



2614 S.C.R. 1257, Midland, Tx. 79706

WATER ANALYSIS REPORT

Company: CAMERON OIL & GAS
Location: FED 6
Source: WELLHEAD
Date Sampled:

Sampled By: L.CREE
Analysis Date: 5/15/03
Submitted: 6

	ANALYSIS	mg/L	EQ. WT.		MEQ/L
1.	pH	5.80			
2.	Specific Gravity @60 f.	1.092			
3.	Hydrogen Sulfide	25 PPM			
4.	Carbon Dioxide	750.0 PPM			
5.	Dissolved Oxygen	Not Determined			
6.	Hydroxyl (OH-)	0	/ 17.0	=	0.00
7.	Carbonate (CO3=)	0	/ 30.0	=	0.00
8.	Bicarbonate (HCO3-)	562	/ 61.1	=	9.20
9.	Chloride (Cl-)	78,992	/ 35.5	=	2,224.85
10.	Sulfide (SO4=)	2,700	/ 48.8	=	56.56
11.	Calcium (Ca++)	683	/ 20.1	=	27.31
12.	Magnesium (Mg++)	149	/ 12.2	=	11.97
13.	Sodium (Na+)	51,767	/ 23.0	=	2,250.73
14.	Barium (Ba++)	Not Determined			
15.	Total Iron (Fe)	1.00			
16.	Dissolved Solids	134,770			
17.	Filterable Solids				
18.	Total Solids	134,770			
19.	Total Total Hardness As CaCO3	2,092			
20.	Suspended Oil				
21.	Volume Filtered (ml)				
22.	Resistivity @ 75 F. (calculated)	0.068 /cm.			

23. CaCO3 Saturation Index

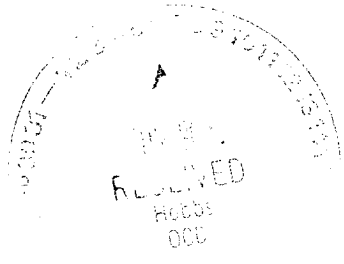
@80 F.	-1.5387
@100 F.	-1.2287
@120 F.	-0.8987
@140 F.	-0.6087
@160 F.	-0.2987

24. Calcium Sulfate solubility @ 80 F. 6,471 mg/L

PROBABLE MINERAL COMPOSITION

COMPOUND	EQ. WT.	X	MEQ/L	= mg/L
Ca(HCO3)2	81.04		9.20	746
CaSO4	68.07		18.71	1,274
CaCl2	55.50		0.00	0
Mg(HCO3)2	73.17		0.00	0
MgSO4	60.19		11.97	720
MgCl2	47.62		0.00	0
NaHCO3	84.00		0.00	0
Na2SO4	71.03		25.69	1,830
NaCl	58.46		2,224.85	130,095

Chemist: _____



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. 8817
Order No. R-8166

APPLICATION OF POLLUTION CONTROL, INC. FOR SALT WATER DISPOSAL, LEA COUNTY, NEW MEXICO

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on February 5, 1986, at Santa Fe, New Mexico, before Examiner David R. Catanach.

NOW, on this 7th day of March, 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, Pollution Control, Inc., is the owner and operator of the L & B Oil Company Inc. State "AJ" Well No. 1, located 2310 feet from the North and East lines (Unit G), of Section 33, Township 18 South, Range 36 East, NMPM, Lea County, New Mexico.

(3) The applicant proposes to utilize said well to commercially dispose of produced salt water into the Abo, Wolfcamp and Devonian formations, with injection into the open hole interval from approximately 5,000 feet to 12,164 feet.

(4) The well is completed from the surface to the top of the open hole injection interval at 5,000 feet in a manner that should adequately serve to protect any fresh water aquifers.

(5) The injection should be accomplished through 2 7/8-inch plastic lined tubing installed in a packer set at approximately 4,950 feet; the casing-tubing annulus should be filled with an inert fluid; and a pressure gauge or approved

Lea County, New Mexico, to dispose of produced salt water into the Abo, Wolfcamp and Devonian formations, injection to be accomplished through 2 7/8-inch tubing installed in a packer set at approximately 4,950 feet, with injection into the open hole interval from approximately 5,000 feet to 12,164 feet;

PROVIDED HOWEVER THAT, the tubing shall be plastic-lined; the casing-tubing annulus shall be filled with an inert fluid; and a pressure gauge shall be attached to the annulus or the annulus shall be equipped with an approved leak detection device in order to determine leakage in the casing, tubing, or packer.

(2) The injection well or system shall be equipped with a pressure limiting switch or other acceptable device which will limit the wellhead pressure on the injection well to no more than 1000 psi.

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

(4) After commencing injection into the well, the operator shall run an injection tracer survey in order to determine which formations are receiving the injected fluid.

(5) Should the injection well ever cease to take water on a vacuum, the operator shall be required to run an additional injection tracer survey after notifying the supervisor of the Division's Hobbs district office of the date and time of such test.

(6) Copies of such tracer surveys shall be filed with both the Santa Fe and Hobbs offices of the Division.

(7) The Director of the Division may authorize an increase in injection pressure upon a proper showing by the operator of said well that such higher pressure will not result in migration of the injected fluid from the Abo, Wolfcamp and Devonian formations.

(8) The operator shall notify the supervisor of the Hobbs district office of the Division of the date and time of the installation of disposal equipment and of the date and time of the mechanical integrity test and the injection tracer survey so that the same may be inspected and witnessed.

(9) The operator shall immediately notify the supervisor of the Division's Hobbs district office of the failure of the

leak detection device should be attached to the annulus in order to determine leakage in the casing, tubing, or packer.

(6) The injection well or system should be equipped with a pressure limiting switch or other acceptable device which will limit the wellhead pressure on the injection well to no more than 1000 psi.

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

(8) After commencing injection into the well, the operator should run an injection tracer survey in order to determine which formations are receiving the injected fluid.

(9) Should the injection well ever cease to take water on a vacuum, the operator should be required to run an additional injection tracer survey after notifying the supervisor of the Division's district office in Hobbs of the date and time of the test.

(10) The Director of the Division should be authorized to administratively approve an increase in the injection pressure upon a proper showing by the operator that such higher pressure will not result in migration of the injected waters from the Abo, Wolfcamp and Devonian formations.

(11) The operator should notify the supervisor of the Hobbs district office of the Division of the date and time of the installation of disposal equipment and of the date and time of the mechanical integrity test and the injection tracer survey so that the same may be inspected and witnessed.

(12) 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.

(13) Approval of the subject application will prevent the drilling of unnecessary wells and otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED THAT:

(1) The applicant, Pollution Control, Inc., is hereby authorized to utilize its L & B Oil Company Inc. State "AJ" Well No. 1, located 2310 feet from the North and East lines in Unit G of Section 33, Township 18 South, Range 36 East, NMPM,

tubing, casing, or packer, in said well or the leakage of wate from or around said well and shall take such steps as may be timely and necessary to correct such failure or leakage.

(10) The applicant shall conduct disposal operations and submit monthly reports in accordance with Rules 702, 703, 704, 705, 706, 708, and 1120 of the Division Rules and Regulations.

(11) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

R. L. STAMETS,
Director

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