STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS GOVERNOR January 25, 1988

-36162 POST OFFICE BOX 2008

STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO 87504 (505) 827-5800

M & W Inc. P.O. Box 922 Lovington, New Mexico 88260

Attention: Mr. Johnie W. Wilson

Re: O'Neill State SWD Well No. 1 1980 660 FSL & 660 FWL (Unit M) X Section 16, T-8 South, R-36 East, Roosevelt County, New Mexico

Dear Mr. Wilson:

Reference is made to your request dated November 3, 1987 for authorization to plug the referenced disposal well from a depth of approximately 6400 feet down to 9685 feet. The subject well was originally permitted as a Pennsylvanian disposal well by Division Order No. R-3616. Subsequently, due to casing problems in the well, Division Order No. R-3616-A authorized the injection interval in the well to be expanded to include the interval from 4193 feet to 9685 feet. It is our understanding that you now propose to pull the 4 1/2 inch casing from a depth of 6400 feet, and to subsequently plug the well from 5300 feet to T.D. It is further our understanding that plastic lined tubing will be set in a packer located as near as practical to the base of the 8 5/8 inch casing, and that injection will occur into the San Andres formation from a depth of 4193 feet to 5300 feet.

You are hereby authorized to plug the subject well from a depth of 5300 feet to T.D. as described above, and upon proper showing that the subject well has been plugged to the satisfaction of the supervisor of the Division's Hobbs district office, the injection interval in the well will be amended to consist of the San Andres formation from a depth of 4193 feet to 5300 feet. You are further authorized to inject into the San Andres formation at a surface pressure not to exceed 839 p.s.i. All other provision contained in Division Order No. R-3616-A shall remain in full force and effect.

Sincerely William J. ⊈eMay Director

xc: D. McDonald OCD-Hobbs Case File 8702