Energy Reserves Group, Inc. 1509 West Wall Street P.O. Drawer 2437 Midland, Texas 79702 Phone 915 682 2591



April 16, 1985

Oil Conservation Division Energy and Minerals Department P. O. Box 1980 Hobbs, New Mexico

Attn: Mr. Jerry Sexton District Supervisor

Re: Salt Water Disposal Energy Reserves Group, Inc. Taylor No. 1 Roosevelt Co., N. M.

Dear Mr. Sexton:

Energy Reserves Group recently requested that the Oil Conservation Division allow ERG to inject water into the subject well at pressures up to 1800 psi.

Your letter of April 1, 1985, advised that Forms C-101, C-102 and C-103, should be submitted. These forms have been submitted and were approved by your office on April 8, 1985.

Your letter also advised that a step rate test would be required. This test was run on April 13, 1985, and a copy is enclosed. The well was shut-in following the test.

This test indicates that the well is possibly being fractured at surface pressures below the requested 1800 psi limit.

We again ask that the OCD grant the requested exception. Energy Reserves has a very large investment in the conversion and equiping of Taylor No. 1 and it needs to recoup this investment. As we previously pointed out, the well is remotely located with respect to other operators' wells and the radioactivity tracer log indicates that all injection is limited to the San Andres horizon which was the orginal intent of the application.



I suppose some consideration should also be given to the more favorable enviromental conditions of subsurface injection as compared to subjecting the adjacent ranchland to dust from water hauling truck traffic on the lease roads.

Yours very truly,

ander W. J. Sandidge

District Production Manager

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