

Union Oil Company of California

M I D L A N D T E X A S

September 8, 1961

New Mexico Oil Conservation Commission
Box 2045
Hobbs, New Mexico

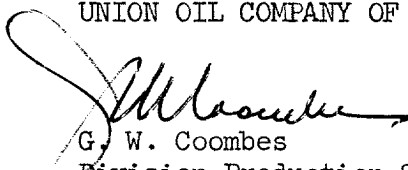
Gentlemen:

We are attaching Form C-102 covering a proposed plan to test the Yates zone in our State "BH" Well No. 1 for salt water disposal purposes, this well being located in Section 32, T-15-S, R-32-E, Lea County, New Mexico.

Administrative Order SWD #28 sets forth disposal in the San Andres, however injectivity tests indicate that this zone is not satisfactory for injection because of excessive pressures and it is deemed advisable to look into the Yates zone for disposal possibility. The Yates zone fulfills the requirements for disposal per Rule 701 and Mr. D. S. Nutter has given verbal permission to test the Yates for a period of no longer than 30 days. Should this zone prove successful, administrative approval in the prescribed manner will be sought for permanent water disposal.

Very truly yours,

UNION OIL COMPANY OF CALIFORNIA


G. W. Coombes

Division Production Superintendent

PW:bg

CC: Mr. D. S. Nutter, Chief Engineer
New Mexico Oil Conservation Commission

Mr. S. E. Reynolds
State Engineer