



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

BRUCE KING
GOVERNOR

June 2, 1993

POST OFFICE BOX 1980
HOBBS, NEW MEXICO 88241-1980
(505) 393-6161

Randall Capps
Xeric Oil & Gas Company
P. O. Box 51311
Midland, Texas 79710

Re: Mesa Queen Unit SWD #14 L. Sec 16, T16S, R32E

Dear Mr. Capps:

It has come to our attention that you are reporting the injected volumes and pressures for the above referenced well on the Monthly Production Report (C-115). Division Order SWD-447 permitted this well as a salt water disposal well.

As specified in Division Rule 1120, the volumes and pressures for salt water disposal wells are to be reported on Form C-120-A. We are enclosing some blank forms for your use in reporting. We request that you submit reports starting with the first date of injection into the well. Also, you are to send amended C-115's, deleting this well from the monthly production reports.

We do not have a sundry notice, outlining the procedures used for conversion from a producing well for use as a salt water disposal well. We request that you submit Form C-103, giving the following information:

- 1> Any repairs to the wellbore necessary to bring the well into a satisfactory condition for use as a salt water disposal well.
- 2> Tubing size.
- 3> Packer setting depth.
- 4> Date of first disposal into the well.

Also, the order permitting this well as a salt water disposal well states that an annulus pressure test is to be conducted on the well prior to injection.

As this was not reported, we are scheduling this well for an annulus pressure test along with the active injection wells in your Mesa Queen Unit in July, 1993.

Very truly yours



Xeric Oil & Gas Corporation

P.O. Box 51311
Midland, Texas 79710
(915) 683-3171
FAX: (915) 683-3152

June 17, 1993

**Oil Conservation Division
P.O. Box 2088
Santa Fe, NM 87504**

Attn: David Catanach

Re: Division Order SWD-447

Dear David,

It was originally our intention to permit an additional injection well on the Mesa Queen Unit, which was already an active water flood unit. It would seem that we inadvertently permitted a salt water disposal well, instead. I am not certain of the difference in terminology where the O.C.D. is concerned, but there is apparently a difference.

In our original application paperwork the well was referred to about half of the time as a salt water disposal well and the other half of the time as an injection well. Volumes for injectors are reported on the C-115, while volumes for disposal wells are reported on the C-120-A. Since this injector became active, we have reported volumes on the C-115. I have just been informed of the error in reporting, since the well is classified as a salt water disposal well.

My request is that you re-classify this well as an additional injector on the Mesa Queen Unit.

Thank you in advance for your help in this matter.

Regards,


Kevin K. Gafford

cc: Jerry Sexton
O.C.D., Hobbs District Office



STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

TO: Samuel J. Taylor

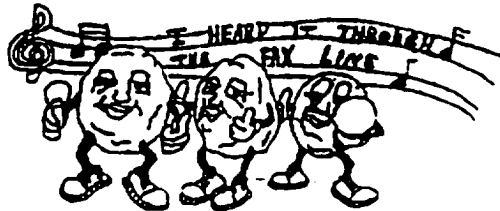
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Barbara J. Taylor





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TO: Union Pacific

FROM: James R. Hendrix

DATE: 5/2/92

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