

BURLESON & HUFF

OIL PROPERTIES

BOX 2479 - PHONE 683-4747

MIDLAND, TEXAS 79701

July 19, 1976

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New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: Application for Water Disposal
Well

Gentlemen:

Burleson & Huff hereby makes application to convert its Cinco de Mayo No. 1 well situated 1980 feet from the west and 660 feet from the north line of Section 24, T-18-S, R-32-E, Lea County, New Mexico from an oil producer to a water disposal well. This well is presently shut in due to inability to produce. If approved the disposal well will be used to dispose of water produced from the Queen formation at a depth interval from about 4000 feet to 4300 feet from the Burleson & Huff Cinco de Mayo Federal Nos. 2 and 3 wells both of which are situated in the NW/4 of said Section 24. As shown on the attached diagrametic sketch, the injection of produced water will be made into the Queen formation in the disposal well at a depth interval from about 4014 to 4290 feet. Water produced from the Burleson & Huff Cinco de Mayo lease is salty, and it is estimated that a total of approximately 30 barrels of water per day will be injected into the disposal well. The Cinco de Mayo No. 1 well made large quantities of the same type of water from the Queen formation when it was previously produced as an oil producer.

The Queen formation is of Permian age and is older than the Triassic formation. The water produced from the Burleson & Huff Cinco de Mayo Lease is highly salty and is unfit for domestic, stock, irrigation and/or other general use. The applicant therefore asks for administrative approval of this application without notice and hearing as an exception to Rule 701-A.

Copies of this application and of the other attachments enclosed herewith have been sent to all off-setting operators and to the surface owner and surface lessee as shown below.

Enclosed are three copies each of this application, application form C-108, diagrametic sketch, copies of log of the Cinco de