

## **VII. PROPOSED OPERATION**

- 1.) Proposed average daily injection will be 500 bbls/day. Maximum will be 1000 bbls/day.
- 2.) The system will be closed.
- 3.) The wellhead injection pressure will not exceed 900 psi until a step rate test establishes a higher limit.
- 4.) The source of water will be from Texaco Exploration and Producing from the Federal USA "I", Federal USA "J", SA Bowman, and the NM "CR" State leases. The formations are the Lusk Delaware and the Lusk Bone Springs.
- 5.) The Cherry Canyon is productive in this area.

## **VIII. GEOLOGICAL DESCRIPTION**

The injection interval is the Cherry Canyon of the Delaware Formation and is composed of primarily sandstone with occasional thin bedded carbonates. This entire area is overlain by the Quaternary Alluvium and Triassic Redbeds. There is no proven fresh water within one mile of the proposed location. There are no fresh water zones below the Cherry Canyon.

## **IX. PROPOSED STIMULATION**

The disposal interval will be treated with an acid job.

## **XI. FRESH WATER WELLS**

There are no active fresh water wells within one mile of New Mexico "CR" State # 3.

## **XII. GEOLOGICAL EVALUATION**

Based on current geological and engineering data and a petrophysical rock-properties evaluation, there is no evidence of any natural or artificially created open faults within the disposal interval or above. There is no communication between the subject injection zone and any subsurface source of drinking water.