

chemical analysis. We plan to test the chemical compatibility of the disposal waters and will chemically treat before injecting into the Bone Springs if needed to prevent plugging problems.

As shown on the attached diagramatic sketch, we propose to equip this well with a string of 2 7/8 inch plastic lined tubing equipped with an injection packer set at approximately 9700 feet. The casing-tubing annulus will be filled with corrosion inhibited packer fluid with the provision for surface monitoring.

The Bone Springs is of mid-to-late Permian in age and occurs at a depth of from 9500 to 10,200 feet in this area. It is described as a dolomite, sucrosic in part, with intercrystalline and vuggy porosity. The vugular porosity and possible fractures in the Bone Springs should make this an excellent disposal zone.

A physical review of the area and check with the State Engineer's office in Roswell, revealed no fresh water wells within one mile of the proposed disposal well. We have examined the available geologic and engineering data and have found no evidence of open faults or any hydrologic connection between the disposal zone and an underground source of drinking water. Furthermore, the shallow formations and the salt section will be protected by three cemented casing strings, and injection tubing and packer.

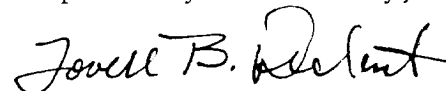
Enclosed are two copies of this application, along with Form C-108, a marked plat of the surrounding area, a tabulation of all wells within one-half mile, three diagramatic wellbore sketches, chemical analysis of Bone Springs formation water, and proposed work outline.

Certified copies of this application have been sent to all oil operators within the one-half mile area of review, the surface owner, and the Oil Conservation Division, Hobbs District Office. (We are currently pursuing BLM approval for operating on federal land.)

A notice of publication will be forwarded as soon as possible.

Subsurface Water Disposal, Inc. asks for administrative approval of this application.

Respectfully submitted by,

A handwritten signature in dark ink, appearing to read "Lowell B. Deckert". The signature is fluid and cursive, with the first name "Lowell" and last name "Deckert" clearly distinguishable.

Lowell B. Deckert, Agent for
Subsurface Water Disposal, Inc.