

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
N.M. Oil Cons.
P.O. Box 1980
Hobbs, NM 88241

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well
☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

Morexco, Inc.

3. Address and Telephone No.

P.O. Box 481, Artesia, NM 88211-0481

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Section 8: T18S, R32E
1980' FSL & 660' FWL

5. Lease Designation and Serial No.
NM-40449

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.
Federal AN #1

9. API Well No.
30-025-29088

10. Field and Pool, or Exploratory Area
Young North Delaware

11. County or Parish, State
Lea County, New Mexico

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☒ Notice of Intent
☐ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☐ Other _____
☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☒ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

1. Formation producing water on the lease - Queen.
2. Less than one barrel of water produced from all formations per day.
3. Water is stocked on the lease with 300 bbls open stock tanks.
4. Water is moved to the disposal facility by truck.
5. Identify the Disposal Facility by:
A. Dick Mahoney is the facility operators name.
B. Facility name - Loco Hills Disposal.
C. Type of facility - Pit.
D. Location - SW/4NW/4, Sec. 21, T17S, R30E.

RECEIVED
1998 MAR 30 A 10:18
BUREAU OF LAND MGMT.
HOBBS, NEW MEXICO

SUBJECT TO
LIKE APPROVAL
BY STATE

14. I hereby certify that the foregoing is true and correct

Signed

Title President

Date 3-23-98

(This space for Federal or State office use)

Approved by (ORIG. SGD.) LES BABYAK

Title PETROLEUM ENGINEER

Date APR 06 1998

Conditions of approval, if any:

BUREAU OF LAND MANAGEMENT
Roswell District
2909 West Second Street
Roswell, New Mexico 88201
505-627-0272

**Disposal of Produced Water From Federal Wells
Conditions of Approval**

Approval of the produced water disposal methodology is subject to the following conditions of approval:

1. This agency shall be notified of any change in your method or location of disposal.
2. Compliance with all provisions of Onshore Order No. 7.
3. This agency shall be notified of any spill or discharge as required by NTL-3A.
4. This agency reserves the right to modify or rescind approval whenever it determines continued use of the approved method may adversely affect the surface or subsurface environments.
5. All above ground structures on the lease shall be painted sandstone brown, Federal Std. 595-20318, or 30318, within 90 days, if you have not already done so.
6. Any on-lease open top storage tanks shall be covered with a wire screen to prevent entry by birds and other wildlife.
7. This approval should not constitute the granting of any right-of-way or construction rights not granted by the lease instrument.
8. S. If water is transported via a pipeline that extends beyond the lease boundary, then you need to submit within 30 days an application for right-of-way approval to the Realty Section in this office if you have not already done so.