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OIL CONSERVATION DIV.
SANTA FE

Mr. William LeMay, Director
State of New Mexico
Energy & Minerals Department
Oil Conservation Division
P.O. Box 2088
Santa Fe, NM 87501-2088

Dear Mr. LeMay:

Modification of Discharge Plan, DP-318, for
Replacement of Warren McKee Brine Well No. 1

Conoco hereby requests permission to modify Discharge Plan, DP-318, to include a replacement brine extraction well. The existing brine well, while still mechanically sound, is becoming too costly to operate due to increasingly frequent cave-ins which temporarily halt operations. Our intention is to plug and abandon the existing well and replace it with a new well to be drilled a safe distance from the old well (See Attachment 1). Since the majority of the subject discharge plan will remain unchanged, only information specifically pertaining to the proposed new well will be addressed in this request. We respectfully request that this application be approved as soon as possible so that we may commence drilling this replacement well.

Replacement Well Location:

The replacement brine well, Warren McKee Brine No. 2, will be located in Section 2, T-20S, R-38E (See Attachment 2). There are two wells within the 1/4 mile radius Area of Review of the proposed location (See Attachment 3 for map detailing Area of Review). Exxon's New Mexico DK State No. 1 lies 660 feet due west of our proposed location. This well was junked and abandoned while drilling during 1983. The casing and cementing history for that well indicates that isolation of the surface environment was achieved (See Attachment 4 for a wellbore schematic of this well). The other well within the Area of Review is a surface water monitoring well operated by the City of Hobbs which is located 570 feet due east of our proposed location. This well is only 40 feet deep and is completed with 4", uncemented, plastic pipe.

Construction and Operation of Replacement Well:

The well will be drilled, completed and operated in a manner similar to the original well. Surface casing will be set through the surface fresh water zones (@ $\pm 400'$) and cemented to surface to provide isolation against any possible contamination. Production casing will then be set in the