Geological information indicates that the San Andres formation is a dolomite approximately 1300 feet thick at a depth of 3700'. Information also indicates that the fresh water in the area is sparsly located and not plentiful and is usually found in the Red Bed formation. After checking with the New Mexico State Engineer's office and upon a visual inspection, the only fresh water well found within a one-mile radius is owned by Clyde Cooper. This water well is located in the NE, NE, SW, NE of Section 33 and is currently nonproducing, henceforth, no chemical analysis of the fresh water could be obtained.

After a thorough search of the records at the New Mexico Oil Conservation District office in Hobbs, no record of logs for the captioned well could be found on file, but, as stated before, the well will be logged prior to perforating and a copy of the logs will be made available for public record.

All available geological and engineering data has been examined and no evidence of open faults or any other hydrologic connection between the disposal zone and any underground source of drinking water has been found.

Attached for your review and records, please find the following:

- 1.) A map that identifies all wells and leases within two miles of the proposed injection well. A one-half mile radius circle has been drawn around the proposed injection well (the area of review).
- 2.) A tabulation of data on all wells of public record within the area of review which penetrate the disposal zone.
- 3.) Chemical analysis of produced water to be disposed.
- 4.) A data sheet and schematic of the proposed disposal well.
- 5.) A copy of the legal advertisement publication.
- 6.) Copies of the return receipts on certified mailings offered as proof of notification to offset operators and surface owner.

If any further information is required for the administrative approval of this Application for Authorization to Dispose Produced Water, please contact me. Thank you for your consideration and cooperation in this matter.

Respectfully yours,

Michael D. Oney,

Drilling Superintendent

MDO/tic Enclosures