CASE 3902: Appli. of CONTINENTAL for a waterflood project, Lea County, New Mexico.

Case Number

3902

Application Transcripts.

Small Exhibits

T/C

BEFORE THE NEW MEXICO OIL CONSERVATION COMMISSION Santa Fe, New Mexico October 23, 1968

EXAMINER HEARING

IN THE MATTER OF:

Application of Continental Oil)
Company for a waterflood)
project, Lea County, New)
Mexico.

Case No. 3902

BEFORE: Daniel S. Nutter, Examiner

TRANSCRIPT OF HEARING

MR. NUTTER: Call case No. 3902.

MR. HATCH: Application of Continental Oil Company for a waterflood project, Lea County, New Mexico.

MR. KELLAHIN: If the Examiner please, Jason Kellahin, appearing for the Applicant and we have the same witness who has been previously sworn, Mr. V. T. Lyon.

(Whereupon, Applicant's Exhibits 1 through 7 marked for identification)

* * * * *

V. T. L Y O N, called as a witness, having been previously duly sworn, was examined and testified as follows:

DIRECT EXAMINATION

BY MR. KELLAHIN:

- Q Would you state your name, please?
- A V. T. Lyon.
- 9 Are you the same Mr. Lyon who testified in Case No. 3900?
 - A Yes, I am.
- Q Mr. Lyon are you familiar with the application of Continental Oil Company in Case 3902?
 - A Yes, sir.
 - Q What is proposed by Continental in this case?
- A Case 3902 is the application of Continental Oil
 Company for authority to install a pilot waterflood project

in the Langley-Mattix Pool by converting to water injection the Stevens B Well No. 8 which is located 660 feet from the north line and 660 feet from the east line of Section 12, Township 23 South, Range 36 East.

- Q Referring to what has been marked as Exhibit No. 1, would you identify that exhibit?
- A Exhibit No. 1 is a location and ownership plat showing the proposed injection well circled in red, the outlines of the Stevens B lease which is outlined in red, and described as the northeast quarter; the north half of the northwest quarter; the south half of the southwest quarter of Section 12, Township 23 South, Range 36 East; The south half and the south half of the north half of Section 7; the west half and the northwest quarter of the northeast quarter of Section 18, Township 23 South, Range 37 East. It also shows the location and ownership of wells and area at least two miles in each direction from the proposed injection well.
- Q Does it also show the outline of the Skelly-Penrose B Unit?
- A Yes, sir, it is shown by the dotted line over here to the northeast of our lease.
- Q Now, referring to what has been marked as Exhibit No. 2, would you describe that exhibit?

A Exhibit No. 2 is a copy of the form C-108 which was filed with the application and we used this form because it contains information which is pertinent to an injection well. This is for use of our Stevens B No. 3 as an injection well. The surface casing is shown to have been set at 7 and 7/8ths inch, set at 336 feet with 200 sacks of cement, the cement was circulated to the surface; 4 and 1/2 inch casing was set at 3735 feet with 684 sacks of cement, top of the cement by temperature survey is 1405 feet.

It shows that the 2 and 3/8ths inch tubing will be set at 3600 feet in a packer set at that depth, that we propose to inject into the Queen formation in the intervals 3644 to 3662 and 3694 to 3706, 3712 to 3718.

- Q Now referring to what has been marked as Exhibit No. 3, would you identify that exhibit?
- A Exhibit No. 3 is a schematic diagram showing essentially the same information which I have just described which was shown on Exhibit No. 2.
- Q Now, will the casing tubing annulus, are you going to use a plastic-coated tubing?
 - A Yes, sir, we will.
- Q Will the casing tubing annulus be filled with an inert fluid?
 - A Yes, sir.

- Q And you propose to install a pressure gauge at the surface?
 - A Yes, sir.
- Q Now, referring to what has been marked as Exhibit
 No. 4, would you identify that exhibit?
- A Exhibit No. 4 is a copy of a portion of the radioactivity log run on this well. It shows the top of the Queen formation at 3608, shows the perforations 3646 to 3664, 3696 to 3708, 3714 to 3720. I believe these differ by two feet from those shown on Exhibits 2 and 3. This is due to the fact that these are the measurements shown by the logging instrument, shows the collars and so forth, which we must find to perforate. The measurements shown on the other exhibits. are Pilars measurements.
- Q Now, would you give a brief history of the Stevens area in the Langlie-Mattix Pool?
- A The initial production from this portion of the Stevens B lease, that portion described as the northeast quarter and the north half of the northwest quarter, was from Continental's Stevens B No. 3, which is located in the northwest quarter northwest quarter of the lease. It was completed November 19, 1959; the remaining wells in this area were completed during 1960, the last of which was the

Stevens B No. 10, completed July 20th, 1960. No. 10 is in the, well it's the well directly south of No. 8. All of the completions were through perforations from a minus 305 to a minus 337 feet subsea and were hydraulically fractured. Three of the wells are currently producing and three are shut in, including the proposed injection well. During the month of August, 1969, the three wells produced 127 barrels of oil, 150 barrels of water, 480 mcf gas, for an average gas-oil ratio of 3,780 cubic feet per barrel and an average daily rate of production 1.35 barrels per day per well.

- Q Does this indicate that this particular reservoir is at an advanced stage of depletion?
 - A Yes, it does.
 - Q What's the cumulative production from the leases?
- A The cumulative production as of September 1st, 1968, was 198,834 barrels.
- And what is the reservoir producing mechanism on the primary recovery?
- A At least in this portion of the Langley-Mattix Pool the driving mechanism is solution gas.
- Q Now, referring to what has been marked as Exhibit No. 5, would you identify that exhibit?
 - A Exhibit No. 5 is a structure map on the Penrose Sand

which immediately underlies the portion of the Queen Formation which we are proposing to flood. The contour interval is 25 feet. The subject well is circled in red. The Stevens B Lease is situated on the south end of a broad north-south trending sincline, the Queen becomes more dolomitic and tighter to the east in the middle of Section 7. This facies change to the east forms the updip limit of the local Queen Sand Reservoir.

- Q Now, referring to what has been marked as Exhibit Nc. 6, would you identify that exhibit?
- A Exhibit No. 6, is a tabulation of data, it shows the porosity at 18%, initial oil saturation at 54%, residual oil saturation at 33%, formation volume factor of 1.09. The primary production as of September 1st, 1968, as I have previously testified for this Stevens B Lease, is 198,834. Considering a project area which would involve the quarter quarter section on which this well is located, and all direct and diagonal quarter quarter sections, the cumulative recovery is 259,918 barrels. This is to August 1st, 1968.

 We estimate the secondary recovery from the Stevens B Lease at 139,200 barrels and that from the project area, 181,300 barrels.
 - Q Is it your opinion that this area can be economically waterflooded?

A Yes, sir, after reviewing available data in regard to porosity, oil saturation, oil recovery under primary operations and calculations by accepted methods, as to anticipated performance, it is my opinion that this area can be economically and feasibly waterflooded.

- Q Now, will waterflooding of the Stevens B Area result in the recovery of oil that would not otherwise be recovered?
- A Yes, sir, it will. We estimate that we will recover 139,200 barrels of additional oil from our lease.
- Q And how much water do you anticipate you will inject into this project?
- A We expect to inject between 150 and 300 barrels per day into this injection well. The total water requirements for the flood will depend, of course, on the size of the waterflood that is ultimately developed.
 - Q Now, what is the source of the water you will use?
- A We will use water which is produced on this lease and water which may be tendered to us from other leases of Continental and other operators in this area.
- Q Do you have a chemical analysis of the water you propose to use?
- A Yes, sir. Exhibit No. 7 is an analysis of the water which was sampled at our battery. I see that there's a

typographical error on this. It identifies the lease as Stevens B 21, it should be B 12, which is that portion of the Stevens B lease located in Section 12.

- Q Is this water compatible with the Queens Seven Rivers formation water?
 - A It should be, it is the same water.
- Q Now, what is the waterflood allowable which you would anticipate for this unit?
- A There are two direct and one diagonal offset wells on our lease to the injection well, creating a four well project area. Based on the minimum waterflood allowable of 42 barrels per day, as provided in Rule 701 E, a minimum waterflood unit allowable of 168 barrels a day would be anticipated. Under the current allowables, 58 barrels per day, the project allowable would be 232 barrels per day.
 - Q You mean 323 barrels, do you not?
 - A No, that's a typographical error.
 - Q 232 barrels, then, correct?
 - A Yes, sir.
- Q In your opinion, will the granting of this application result in the protection of correlative rights and prevention of waste?
 - A Yes, it will.

- Q Were Exhibits 2 through 7 prepared by you or under your supervision?
 - A Yes, sir, they were.
 - Q And Exhibit No. 1 --
 - A Was prepared under my supervision, too.
 - Q -- was also prepared under your supervision?
 - A Yes, sir.

MR. KELLAHIN: At this time, I'll offer in evidence Exhibits 1 through 7, inclusive.

MR. NUTTER: Applicant's Exhibits 1 through 7 will be admitted in evidence.

(Whereupon, Applicant's Exhibits 1 through 7 offered and admitted in evidence.)

MR. KELLAHIN: That's all I have on direct examination.

MR. NUTTER: Does anyone have any questions of Mr.

Lyon?

MR. PORTER: Yes, one general question. Mr. Lyon, do you have other waterfloods in the Langlie-Mattix?

THE WITNESS: Yes, sir. We are, just within the past month, we have placed the Langlie-Jack unit under waterflood.

MR. PORTER: But you haven't had experience with any where you have had a response, so far?

THE WITNESS: No, except as a non-operating working

interest owner, we are a working interest owner in the Langlie-Mattix Woolworth Flood where they have had excellent response.

MR. PORTER: And that's in the Queen?

THE WITNESS: Queen and there may be some Seven

Rivers in it.

MR. PORTER: Thank you.

CROSS EXAMINATION

BY MR. NUTTER:

- Q Mr. Lyon, I would like to review just what you have got here as far as wells on this lease are concerned. Turn to your Exhibit No. 1, please.
 - A Yes, sir.
- Q Now, the No. 3 over there in Unit G, is producing from the Langlie-Mattix now?
 - yes, sir.
 - Q The No. 7 is a shut in Langlie-Mattix?
 - A Yes, sir.
 - Q No. 6 is a shut in Langlie-Mattix well?
 - A Yes.
 - Q No. 9 and No. 10 are producing?
 - A Right.
 - Q And No. 8 at the present time is shut in?

- Yes, sir. Α
- But it will be the injection well?
- Yes, sir.
- And No. 13 over here in Section 7 is an abandoned Q. producer?
 - It's a dry hole. A
 - It was a dry hole? Q
 - yes, sir.
 - So far as the project area on your Stevens B 12 lease, you would have four wells in that project area?
 - Yes, sir.
 - The injection well and the No. 6, 9 and 10. Do you plan to reactivate the No. 6?
 - We will monitor it and when there is a measureable flood level in it, we'll place it back on production.
 - So for the time being, the project area would consist of the No. 8 and the No. 9 and 10, correct?
 - Well, I'm not sure that I understand how you --
 - Well, the project area, this is not unitized with any other lease?
 - No. A
 - So the project area would be limited to your lease? Q
 - Just to the producing wells, you mean? A

- Q Well, the one injection well, the No. 8 and then the No. 9 and 10 are offsetting producing wells?
 - A Yes; the No. 6 also offsets.
- Q Well, it's not producing at the present time, so it wouldn't receive allowable until such time as it was turned on.
 - A All right, I am with you.
- Q So at the time being, our project area would be limited to three forty's and on reactivation of No. 6, it would be four forty's.
 - A I see.
 - Q . Isn't that correct?
- is the way you figure it, that's correct.
- MR. NUTTER: Are there any other questions of the witness? You may be excused.

(Witness excused.)

MR. NUTTER: Do you have anything further, Mr. Kellahin?

MR. KELLAHIN: No, sir, that's all, Mr. Nutter.

MR. NUTTER: Does anyone have anything they would like to offer in Case No. 3902? We'll take the case under advisement and recess the hearing until 1:15.

V. T. LYON

Direct Examination by Mr. Kellahin

Cross Examination by Mr. Nutter

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		OFFERED AND ADMITTED
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EXHIBITS	2	10
Applicant's 1 through 7	_	

STATE OF NEW MEXICO) () ss COUNTY OF BERNALILLO)

I, MARIANNA MEIER, Court Reporter in and for the County of Bernalillo, State of New Mexico, do hereby certify that the foregoing and attached Transcript of Proceedings before the New Mexico Oil Conservation Commission was reported by me, the New Mexico Oil Conservation Commission was reported by me, and that the same is a true and correct record to the best of my knowledge, skill and ability.

WITNESS my hand this 1st day of November, 1968.

Court Reporter

I do heroby certify that the foregoing is a complete record of the proceedings in the Brasiner hearing of Case House heard by me on 1360.

Rev Mexico 011 Conservation Commission

OIL CONSERVATION COMMISSION P. O. BOX 2088 SANTA FE, NEW MEXICO 87501

November 5, 1968

Mr. Jason Kellahin Kellahin & Fox Attorneys at Law Post Office Box 1769 Santa Fe, New Mexico

Dear Sir:

Reference is made to Commission Order No. R-3539, recently entered in Case No. 3902, approving the Continental Langlie Mattix Stevens Waterflood Project.

Initial injection is to be through the one authorized water injection well, which shall be equipped with plastic-coated tubing set in a packer at approximately 3600 feet. The casing-tubing annulus shall be loaded with an inert fluid and equipped with a pressure gauge to facilitate detection of leakage in the casing, tubing, or packer.

As to allowable, our calculations indicate that when all of the authorized injection wells have been placed on active injection, the maximum allowable which this project will be eligible to receive under the provisions of Rule 701-E-3 is 126 barrels per day when the Southeast New Mexico normal unit allowable is 42 barrels per day or less. This figure would of course be increased to 168 upon restoration of Well No. 6 to production.

Please report any error in this calculated maximum allowable immediately, both to the Santa Pe office of the Commission and the appropriate district proration office.

In order that the allowable assigned to the project may be kept current, and in order that the operator may fully benefit from the allowable provisions of Rule 701, it behooves him to promptly notify

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

-2-

Mr. Jason Kellahin Kellahin & Fox Attorneys at Law Post Office Box 1769 Santa Fe, New Mexico

both of the aforementioned Commission offices by letter of any change in the status of wells in the project area, i.e., when active injection commences, when additional injection or producing wells are drilled, when additional wells are acquired through purchase or unitization, when wells have received a response to water injection, etc.

Your cooperation in keeping the Commission so informed as to the status of the project and the wells therein will be appreciated.

Very truly yours,

A. L. PORTER, Jr. Secretary-Director

ALP/DSN/ir

cc: Oil Conservation Commission Hobbs, New Mexico

> U. S. G. S Hobbs, New Mexico

Mr. D. E. Gray State Engineer Office Santa Fe, New Mexico

ROUGH DRAFT FOR WATERFLOOD LETTERS

Mr. Jason Kellahin Kellahin & Fox Attorneys at Law - P. O. Box 1769 Santa Fe, New Mexico

Dear Sir:

foresse is made to commission order No R-3539, tentered in Case No.

3902, approving the Continental Langlet Mattie Stevens Waterflood Project. Quital injection is to la through the are authorized water injection well, which shall be equipped with plastic coated tubing set in a pack at approprinately 3600 fort. The casing telding had be loaded with an work ith a pressure gauge to facilitate de

As to allowable, our calculations indicate that when all of the authorized injection wells have been placed on active injection, the maximum allowable which this project will be eligible to receive under the provisions of Rule 701-E-3 is 126 barrels per day when the Southeast New Mexico normal unit allowable is 42 barrels per day or less. This figure usual at faure the increased to 168 upon restoration of week to Please report any error in this calculated maximum allowable immediately, both to the Santa Fe office of the Commission and the appropriate district proration office.

In order that the allowable assigned to the project may be kept current, and in order that the operator may fully benefit from the allowable provisions of Rule 701, it behooves him to promptly notify both of the aforementioned Commission offices by letter of any change in the status of wells in the project area, i.e., when active injection commences, when additional injection or producing wells are drilled, when additional wells are acquired through purchase or unitization, when wells have received a response to water injection, etc.

Your cooperation in keeping the Commission so informed as to the status of the project and the wells therein will be appreciated.

Very truly yours,

A. L. PORTER, Jr. Secretary-Director

OCC: Hobbs X

Artesia

Mr--Prank-Irby, State Engineer Office, Santa Fe, New Mexico

Mr. D. E. Gray

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION OF NEW MEXICO FOR THE PURPOSE OF CONSIDERING:

CASE No. 3902 Order No. R-3539

APPLICATION OF CONTINENTAL OIL COMPANY FOR A WATERFLOOD PROJECT, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on October 23, 1968, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this <u>31st</u> day of October, 1968, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FIND8:

- (1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.
- (2) That the applicant, Continental Oil Company, seeks permission to institute a pilot waterflood project in the Langlie-Mattix Pool by the injection of water into the Queen formation through its Stevens "B" Well No. 8, located in Unit A of Section 12, Township 23 South, Range 36 East, NMPM, Lea County, New Mexico.
- (3) That the wells in the project area are in an advanced state of depletion and should properly be classified as "stripper" wells.
- (4) That the proposed pilot waterflood project should result in the recovery of otherwise unrecoverable oil, thereby preventing waste.

-2-CASE No. 3902 Order No. R-3539

(5) That the subject application should be approved and the project should be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations.

IT IS THEREFORE ORDERED:

- (1) That the applicant, Continental Oil Company, is hereby authorized to institute a pilot waterflood project in the Langlie-Mattix Pool by the injection of water into the Queen formation through its Stevens "B" Well No. 8, located in Unit A of Section 12, Township 23 South, Range 36 East, NMPM, Lea County, New Mexico.
- (2) That the subject pilot waterflood project is hereby designated the Continental Langlie Mattix Stevens "B" Waterflood Project and shall be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations.
- (3) That monthly progress reports of the pilot waterflood project herein authorized shall be submitted to the Commission in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.
- (4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OID CONSERVATION COMMISSION

Wand lang

DAVID F. CARGO, Chairman

GUYTON B. HAYS, Member

A. L. PORTER, Jr., Member & Secretary

ear/

GOVERNOR DAVID F. CARGO CHAIRMAN

State of New Mexico

Bil Conservation Commission

LAND COMMISSIONER GUYTON B. HAYS MEMBER



STATE GEOLOGIST A. L. PORTER, JR. SECRETARY - DIRECTOR

P. O. BOX 2088 SANTA FE

October 31, 1968

No	3902 3903 3904		•
Order No.	R-3539,	R-3540,	R-3541
Applicant	::		

Mr. Jason Kellahin Kellahin & Fox Attorneys at Law Post Office Box 1769 Santa Fe, New Mexico

Continental Oil Company

Dear Sir:

Enclosed herewith is a copy of the above-referenced Commission order recently entered in the subject case. Letter pertaining to conditions of approval and maximum allowable to follow.

Re:

Very truly yours,

Secretary-Director

ALP/ir

Carbon copy of order also sent to:

Hoppa	occx	
Artesi	a OCC	
Aztec State	engineer x	

other		

Docket No. 31-68

DOCKET: EXAMINER HEARING - WEDNESDAY - OCTOBER 23, 1968

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM, STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Daniel S. Nutter, Examiner, or Elvis A. Utz, Alternate Examiner:

CASE 3894: Application of Signal Oil and Gas Company for a non-standard oil proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of a non-standard oil proration unit comprising the W/2 NE/4 and the N/2 SE/4 of Section 17, Township 10 South, Range 34 East, Vada-Pennsylvanian Pool, Lea County, New Mexico, said unit to be dedicated to its State AP Well No. 1 located 1980 feet from the South line and 660 feet from the East line of said Section 17.

CASE 3895: Application of Sun Oil Company for a pressure maintenance project, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a pressure maintenance project in its New Mexico State "H" Lease by the injection of water into the San Andres formation through its New Mexico State "H" Well No. 13 located in the SE/4 SE/4 of Section 16, Township 8 South, Range 30 East, Cato-San Andres Pool, Chaves County, New Mexico. Applicant further seeks the promulgation of special rules to govern operation of said pressure maintenance project.

CASE 3887: (Continued from the October 9, 1968, Examiner Hearing)

Application of Kersey & Company for a waterflood project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project by the injection of water into the Premier sand of Grayburg formation through two wells to be located in Units E and K of Section 12, Township 18 South, Range 28 East, Artesia Pool, Eddy County, New Mexico. Applicant further proposes to produce oil from the Upper Grayburg through parallel strings of tubing, if sail zones are productive in the subject wells.

CASE 3896: Application of Kersey & Tinson, Yates Drilling Company, and John H. Trigg for several waterflood projects. Eddy County, New Mexico. Applicants, in the above-styled cause, seek authority to institute several cooperative waterflood projects by the injection of water into the Queen and Grayburg formations through four injection wells located in Sections 21

CASE 3896 continued

and 28, Township 18 South, Range 29 East, Turkey Track Queen-Grayburg Pool, Eddy County, New Mexico.

- CASE 3897: Application of Kersey-Wittkopp and E. A. Hanson for two waterflood projects, Eddy County, New Mexico. Applicants, in the above-styled cause, seek authority to institute two cooperative waterflood projects by the injection of water into the Queen formation through two injection wells located in the NW/4 SE/4 and the SW/4 SE/4 of Section 6 Township 19 South, Range 31 East, Shugart Pool, Eddy County, New Mexico.
- CASE 3898: Application of Tenneco Oil Company for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Queen formation in the open-hole interval from approximately 3258 feet to 3341 feet in its Ginsberg-Federal Well No. 6 located in Unit E of Section 31, Township 25 South, Range 38 East, Langlie-Mattix Field, Lea County, New Mexico.
- CASE 3899: Application of Cities Service Oil Company for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the San Andres formation in the interval from approximately 4087 feet to 4176 feet in its State AD Well No. 8 located in Unit J of Section 22, Township 10 South, Range 32 East, Mescalero-San Andres Pool, Lea County, New Mexico.
- CASE 3900: Application of Continental Oil Company for downhole commingling, Lea County, New Mexico. Applicant, in the abovestyled cause, seeks authority to commingle production from the Vacuum Wolfcamp Pool and the North Vacuum Abo Pool in the well-bore of its State H-35 Well No. 7 located 660 feet from the North line and 1780 feet from the East line of Section 35, Township 17 South, Range 34 East, Lea County, New Mexico.
- CASE 3901: Application of Continental Oil Company for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Yates-Seven Rivers formations in the perforated interval from approximately 3330 feet to 3552 feet in its Lynn A-28 Well No. 6 located (In Unit H of Section 28, Township)

(CASE 3901 continued)

23 South, Range 36 East, Jalmat Pool, Lea County, New Mexico.

CASE 3902:

Application of Continental Oil Company for a waterflood project. Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a pilot water-flood project by the injection of water into the Queen formation through its Stevens "B" Well No. 8 located in Unit A of Section 12 Township 23 South, Range 36 East, Langlie-Mattix Pool, Lea County, New Mexico.

CASE 3903:

Application of Continental Oil Company for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project by the injection of water into the Delaware formation in the perforated intervals from approximately 4675 feet to 4765 feet in its Payne Well No. 11 and from 4666 feet to 4740 feet in its Payne Well No. 12 located 660 feet from the South line and 1650 feet from the West line of Section 30, 1935 feet from the North line and 2090 feet from the West line of Section 31, respectively, Township 26 South, Range 33 East, El Mar-Delaware Pool, Lea County, New Mexico.

CASE 3904:

Application of Continental Oil Company for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a pilot water-flood project by the injection of water into the Delaware formation through its Thompson Federal 19 Well No. 2 located in Unit F of Section 19, Township 26 South, Range 32 East, North Mason-Delaware Pool, Lea County New Mexico.

CASE 3905:

Application of Texas Pacific Oil Company for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Devonian formation in the open-hole interval from approximately 12,269 feet to 12,54! feet in its State "O" Well No. 1 located in Unit J of Section 15, Township 10 South Range 36 East, South Crossroads-Devonian Pool, Lea County, New Mexico.

- CASE 3906: Application of Skelly Oil Company for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project by the injection of water into the Queen formation through its Mattix "A" Well No. 4 located in Unit K of Section 2, Township 24 South, Range 37 East, Langlie-Mattix Oil Pool, Lea County, New Mexico. Applicant further seeks a procedure whereby said project may be expanded administratively without a showing of well response.
- CASE 3907: Application of Skelly Oil Company for a waterflood project, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a pilot water-flood project by the injection of water into the San Andres formation through its Hobbs "W" Well No. 9 located in Unit F of Section 29, Township 7 South, Range 34 East, Chaveroo-San Andres Pool, Roosevelt County, New Mexico. Applicant further seeks a procedure whereby said project may be expanded administratively without a showing of well response.
- CASE 3908: Application of Pan American Petroleum Corporation for salt water disposal, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the San Andres formation in the perforated interval from approximately 3932 feet to 4027 feet in its Miller Federal Well No. 4 located in Unit L of Section 35, Township 7 South, Range 31 East, Tom-Tom San Andres Pool, Chaves County, New Mexico.
- CASE 3909: Application of Champlin Petroleum Company for salt water disposal, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into San Andres formation, Chaveroo-San Andres Pool, Roosevelt County, New Mexico, through the following two wells located in Township 7 South, Range 33 East:

Champlin Lauck-Federal Well No. 12, Unit J of Section 29; Disposal Interval -4202 feet to 4404 feet;

Champlin State 32-7-33 Well No. 5, Unit J of Section 32; Disposal Interval - 4303 feet to 4425 feet.

ortugen 1887 litter – Brundsleif Skædins Pagel 5

- Application of Atlantic Richfield Company for compulsory pooling. Lea County, New Morrico, Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Bough "C" zone of the Pennsylvanian formation underlying the SW/4 of Section 17, Township 10 South, Range 34 East, Vada-Pennsylvanian Pool, Lea County, New Mexico, Said acreage to be dedicated to a well located in the NE/4 SW/4 of said Section 17.
- CASE 3911: Application of Atlantic Richfield Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Bough "C" zone of the Pennsylvanian formation underlying the SE/4 of Section 8, Township 10 South, Range 34 East, Vada-Pennsylvanian Pool, Lea County, New Mexico. Said acreage to be dedicated to a well located in the NW/4 SE/4 of said Section 8. In the alternative applicant seeks approval of a non-standard oil proration unit comprising the E/2 SE/4 of said Section 8 and the W/2 SW/4 of Section 9, said Township and Range, said unit to be dedicated to a well to be drilled in the NE/4 SE/4 of said Section 8.
- CASE 3882: (Continued from the October 9, 1968, Examiner Hearing)
 Application of Solar Oil Company for a special gas-oil ratio limitation, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Rule 506 of the Commission Rules and Regulations to provide for a limiting gas-oil ratio of 6,000 cybic feet of gas per barrel of oil in the Teague Blinebry Pool, Lea County, New Mexico.
- CASE 3883: (Continued from the October 9, 1968, Examiner Hearing)

 Application of Solar Oil Company for a special gas-oil ratio limitation, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Rule 506 of the Commission Rules and Regulations to provide for a limiting gas-oil ratio of 6,000 cdbic feet of gas per barrel of oil in the Imperial Tubb-Drinkard Pool, Lea County, New Mexico.

Ì	BEFORE EXAMINED MUTTER
	CIE MATTONIA INO. 2
	ZASE NO. 3902

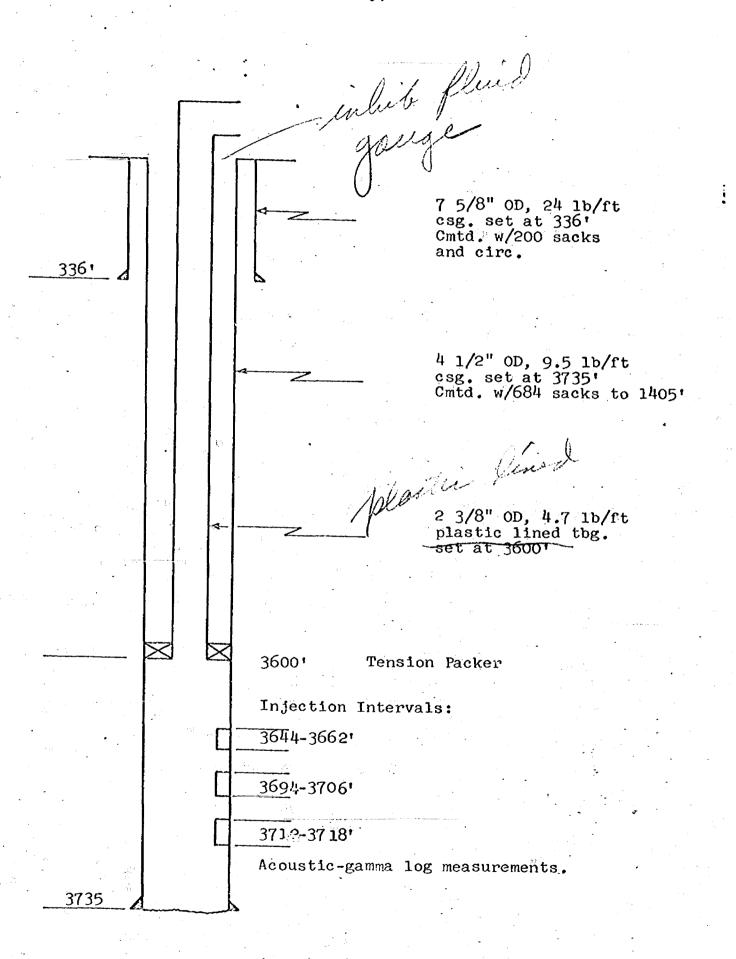
Form C-108 Revised 1-1-65

NEW MEXICO OIL CONSERVATION COMMISSION

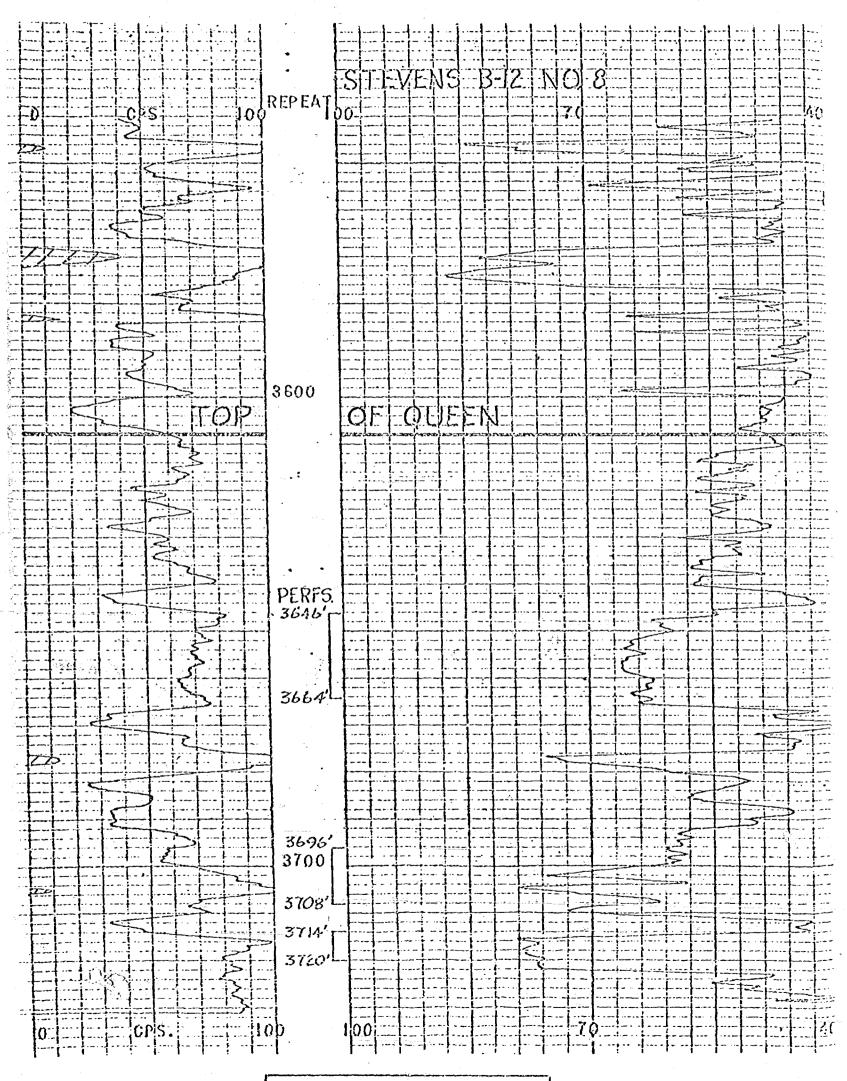
Continent	al Oil Com	pany		. Box 460 Hob	bs, Hew Hexico
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OCATION					
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E LINE, SECTION	12	23S	RANGE 36E	HMPM.	
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Queen			The second secon	081	est. 3900'
tubing	NG, OR ANNULUS?	perfora		644-3662, 3691	1-3706, 3712-3718
S THIS A NEW WELL DRILLED FOR NO	* A.F	IS NO. FOR WHAT PURPO	DSE WAS WELL ORIGINAL	LY ORICLEO?	HAS WELL EVER BEEN PERFORATED IN A ZONE OTHER THAN THE PROPOSED INJECTION ZONE?
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ANTICIPATED DAILY MINIMUM INJECTION VOLUME 150	I MAXIMUM		SED TYPE SYSTEM	S INJECTION TO SE BY GE PRESSURE? Dressure	AAVITY OR APPROX. PRESSURE (PSI)
ANSWER YES OR NO WHETHER THE FO ERALIZED TO SUCH A DEGREE AS TO STOCK, IRRIGATION, OR OTHER GENER	LLOWING WATERS	ARE MIN- WATE	R TO BE DISPOSED OF	NATURAL WATER IN DISPO	ARE WATER ANALYSES ATTACHED?
NAME AND ADDRESS OF SURFACE OW	42	F STATE OR FEDERAL LA	yes	yes	
E. F. King, 723 E.					
Sun OII Company,	OPERATORS WITH	1 OUS HALF () AUCE O	F THIS INJECTION WELL		
Sinclair Oil & Ga	s Company.	Box 1926. Hol	bbs. New Hexic	co ·	7
Albert Gackle, Bo					
Texas Pacific Oil	Company,	Box 1069, Hob	bs, New Mexico)	5.30
Getty Oil Company	, Box 547,	Hobbs, New 1	exico		
Dalport Oil Corpo	ration, 34	71 First Nati	onal Bank Bui	lding, Dallas,	Texas
HAVE COPIES OF THIS APPLICATION SENT TO EACH OF THE FOLLOWING!				WITHIN ONE-HALF MILE	THE NEW MEXICO STATE ENGINEER
ARE THE FOLLOWING ITEMS ATTACH		0	1 NO		1 NO
ARE THE FULLOWING ITEMS ATTACHS THIS APPLICATION (SEE RULE 701-8	., i		1 no	. c 	OTAGRAMMATIC SKETCH OF WELL I NO
•		es			· 1

(Title) NOTE: Should waivers from the State Engineer, the surface owner, and all operators within one-half mile of the proposed injection well.

not accompany this application, the New Mexico Oil Conservation Commission will hold the application for a period of 15 Jays
from the date of receipt by the Commission's Santa Fe office. If at the end of the 15-day waiting period no protest has been received by the Santa Fe office, the application will be processed. If a protest is received, the application will be set for hearing, if the applicant so requests. SEE RULE 101.



BEFORE EXAMINED N'UT	TER
OIL CONSERVATION	' N
· Olilo EXHIBIT NO. 3	
CASE NO. 3982	

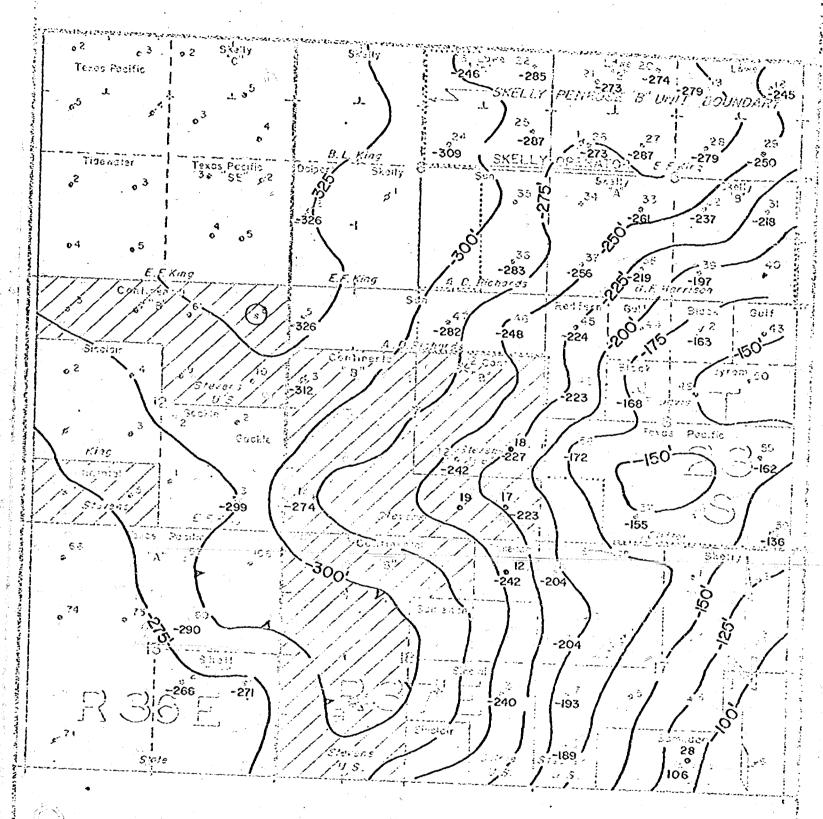


BEFORE EXAMINER MUTTER

-CIL CONSPEVACION U. A. C. ICH

- CIL LA EXHIBIT NO. 1/2

EXHIBIT NO. 4



BEFORE EXAMINER NUTTER
OIL CONSERVATION COMMISSION
CASE NO. 3902
CASE NO. 3902-

Rev. NGC 1/67	\$000 2000 *******************************
4	Contour Interval: 25
(CCA	SAND STRUCTURE MAP
LANGLIE A	SATTIX MULTIZONE POOL
PRODUCTION	ENTAL OIL COMPANY DEPARTMENT-HOSSS DISTRICT
	and the service of th

STEVENS "B" LEASE

Average Porosity	18%
Initial Oil Saturation	54%
Residual Oil Saturation	33%
Formation Volume Factor	1.09
Average NEP	6 feet
Primary Production to 9-1-68 Stevens B-12 Lease Project Area	198,834 259,918
Estimated Secondary Stevens B-12 Lease Project Area	139,200 181,300
Current Production (project area)	308 barrels oil 143 barrels water 1,583 MCF gas

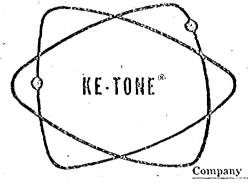
BEFORE EXAMINER MUTTER

CIL CONSERVATION CON. 10N

Aff. EXHIBIT NO. 6

CASE NO. 3902

TELEPHONE: HOBBS 393-6215



UNITED CHEMICAL CORPORATION

OF NEW MEXIC

601 NORTH LEECH

P. O. BOX 1499

HOBBS, NEW MEXICO 88240

Company	Continental Oil Co			
Field	Langlie_Mattix			
Lease	Stevens_B-21	Sampling Date	11/4/67	

WATER ANALYSIS

Type of Sample

IONIC FORM	me/l *	mg/l*
Calcium (Ca++)	45.91	920
Magnesium (Mg++)	71.88	874
Sodium (Na+) (calculated)	227.60	5233
Iron		1
	·	**
Bicarbonate (HCO ₃)	22.40	1366
Carbonate (CO ₃ -)	NOT	FOUND
Hydroxide (OH-)	NOT	FOUND
Sulphate (SO ₄)	18.43	885
Chloride (Cl-)	304.56	10,800
		*
7.0 ^{pH c} 68 °F		
Dissolved Solids on Evap. at 103' - 105' C		
Hardness as Ca CO ₃	117.79	5890
Carbonate Hardness, as CaCO ₃ (temporary)	22.40	1120
Non-Carbonate Hardness as CaCO ₃ (permanent)	95.39	4770
Alkalinity as CaCO ₃	22.40	1120
Specific Gravity c 68° F. 1.010		

- * mg/l=milligrams per Liter
- * me/l = milliequivalents per Liter

The same of the sa
BEFORE EXAMINER NUTTER
OIL CONSERVATION OF MULLIUM M
EXHIBIT NO. 7
CAGE NO. 3932

EXHIBIT No. 7

mananamananaman Makes Water Works mananamananaman



CONTINENTAL OIL COMPANY

P. O. Box 460 Hobbs, New Mexico September 27, 1968

Case 3902

New Mexico Oil Conservation Commission P. O. Box 2088 Santa Fe, New Mexico

Attention of Mr. A. L. Porter, Jr. Secretary-Director

Re: Application to Install a
Pilot Waterflood Project
in the Langlie Mattix Pool,
Lea County, New Mexico

Gentlemen:

Forwarded herewith in triplicate is completed Form C-108 requesting authority to install a pilot water flood project in the Langlie Mattix Pool by injecting into its Stevens "B" Well No. 8.

Please set this matter for hearing on your October 23, 1968, Examiner docket.

Yours very truly,

250 Uct 1 /m 6 ab

VTL-JS cc: RLA JJB JWK Attach

DOCKET MAILED

Date 10-11-68

PIONEERING IN PETROLEUM PROGRESS SINCE 187

•						Hearson			
	APPLICATION TO			•		* . •		_	
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DRAFT GMH/esr

Aie Itr BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING

CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:
CASE No. 3902
Order No. $R-3539$
APPLICATION OF CONTINENTAL OIL COMPANY
FOR A WATERFLOOD PROJECT, LEA COUNTY,
NEW MEXICO.
ORDER OF THE COMMISSION
BY THE COMMISSION:
This cause came on for hearing at 9 a.m. on October 23, 1968 at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.
NOW, on thisday of, 1968_, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,
<u>FINDS</u> :
(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.
(2) That the applicant, Continental Oil Company ,
pilot
seeks permission to institute a/waterflood project in the
======================================
the injection of water into the Queen formation
its Stevens "B" Well No. 8, located in Unit A of Section 1: through /xxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxx
Township 23 xwxxxxx South, Range 36 xwxxx East, NMPM,
Lea County, New Mexico.
(3) That the wells in the project area are in an advanced
state of depletion and should properly be classified as "stripper"
wells.
pilot

(4) That the proposed/waterflood project should result in the recovery of otherwise unrecoverable oil, thereby preventing

waste.

(5) That the subject application should be approved and the project should be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations.

IT IS THEREFORE ORDERED:

(1) That the applicant, Continental Oil Company,
pilot is hereby authorized to institute a/waterflood project in the
======================================
by the injection of water into the Queen formation
through the following-described wells in Township
North, - South, - Rango Woot, - Fact, - NMPM,
County New-Mexico
through its Stevens "B" Well No. 8, located in Unit A of Section 12
Township 23 South, Range 36 East, NMPM, Lea County, New Mexico.

- pilot
 (2) That the subject/waterflood project is hereby designated
 the Continual Kaughi Matty Stevenz"B"
 Waterflood Project and shall
 be governed by the provisions of Rules 701, 702, and 703 of the
 Commission Rules and Regulations.
- (3) That monthly progress reports of the/waterflood project herein authorized shall be submitted to the Commission in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.
- (4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.