

NEWMONT OIL COMPANY

300 BOOKER BUILDING
ARTESIA, NEW MEXICO

January 3, 1960

NEW MEXICO
DISTRICT OFFICE

State of New Mexico
Oil Conservation Commission
State Capital
Santa Fe, New Mexico

Gentlemen:

By letter dated 12/10/59 Newmont Oil Company made application to your Commission for administrative approval to convert to water injection wells in the Lee Hills Sand the following oil wells:

Yates No. 4	NE SW Sec. 6-T18S-R30E
Yates A No. 10	SW SW Sec. 6-T18S-R30E
Yates A No. 12	NE NE Sec. 6-T18S-R30E
Enighar No. 1	SE SE Sec. 31-T17S-R30E
Coppedge No. 2	NW NW Sec. 5-T18S-R30E

Newmont now desires to amend and does by this letter amend such application by deleting from the application the first two above listed wells, to wit:

Yates No. 4	NE SW Sec. 6-T18S-R30E
Yates A No. 10	SW SW Sec. 6-T18S-R30E

Except as such original application is here amended, Newmont Oil Co. would appreciate approval of such application on the earliest date possible. A copy of this amendatory letter is being furnished to Ambassador Oil Corporation, and Dixon - Yates Oil Company, the same identical offset operators to whom the original application of December 10, 1959 was furnished.

Yours very truly,

Herman J. Ledbetter

Herman J. Ledbetter
Superintendent

EJL/cs

cc: State Engineer, Santa Fe, New Mexico
Dixon - Yates, Artesia, New Mexico
Ambassador Oil Company, Fort Worth, Texas

NEWMONT OIL COMPANY

300 BOOKER BUILDING
ARTESIA, NEW MEXICO

December 10, 1959

NEW MEXICO
DISTRICT OFFICE

*Waiting Period
5 days*
Case 1869

State of New Mexico
Oil Conservation Commission
State Capital
Santa Fe, New Mexico

Subject: Request for administrative approval for the conversion of:

Yates No. 4	NE SW Sec. 6-T18S-R3OE
Yates A No. 10	SW SW Sec. 6-T18S-R3OE
Yates A No. 12	NE NE Sec. 6-T18S-R3OE
Brigham No. 1	SE SE Sec. 31-T17S-R3OE
Coppedge No. 2	NW NW Sec. 5-T18S-R3OE

To water injection in the Loco Hills sand.

Gentlemen:

Our pilot waterflood in the Loco Hills Pool is beginning to respond to injection. As shown on the attached form C-116, both Yates No. 1 and Yates A No. 4 have shown response and we would like approval to convert the above wells to injection in order to back up the present injection wells. The source of water for injection will be the Yucca Water Company and the shallow wells used in the pilot which produce from a water zone at about 360 feet. Attached is a plat of the waterflood area showing present injection wells and the wells proposed for injection. A copy of this application is being mailed to Ambassador Oil Corporation and Dixon-Yates Oil Company as offset operators, and to the State Engineer.

Yours very truly,

Herman J. Ledbetter

Herman J. Ledbetter
Superintendent

HJL/cs

Case 1869

December 14, 1959

State Engineer
State Capital
Santa Fe, New Mexico

Ambassador Oil Company
Box 9138
Fort Worth, Texas
Attention: Mike Riley

Dixon - Yates Oil Company
Carper Building
Artesia, New Mexico

Gentlemen:

Attached is a copy of our application to the New Mexico Oil Conservation Commission for conversion of the following wells to water injection into the Lone Hills sand:

Yates No. 4	NE SW Sec. 6-T18S-R30E
Yates A No. 10	SW SW Sec. 6-T18S-R30E
Yates A No. 12	NE NE Sec. 6-T18S-R30E
Brigham No. 1	SE SE Sec. 31-T17S-R30E
Coppedge No. 2	NW NW Sec. 5-T18S-R30E

If you have any objection to the conversion of these wells, notify the Oil Conservation Commission within 15 days. If you have no objection, I would appreciate your notifying the Commission of that fact, in order that our application can be approved as soon as possible.

Yours very truly,

Harmon J. Ledbetter
Harmon J. Ledbetter
Superintendent

RJL/cs

NEW MEXICO OIL CONSERVATION COMMISSION

GAS-OIL RATIO REPORT

OPERATOR.....Newmont Oil Company..... POOL.....Loco Hills.....
ADDRESS.....300 Booker Building, Artesia, N.M..... MONTH OF....., 19.....
SCHEDULED TEST..... COMPLETION TEST..... SPECIAL TEST.....X.....(Check One)
(See Instructions on Reverse Side)

Lease	Well No.	Date of Test	Producing Method	Choke Size	Test Hours	Daily Allowable Bbls.	Production During Test			GOR Cu. Ft. Per Bbl.
							Water Bbls.	Oil Bbls.	Gas MCF	
Yates	1	7-1-59	P		24		0	3.45		
		8-4-59	P		24		0	11.03		
		9-9-59	P		24		0	20.69		
		10-3-59	P		24		0	26.10		
		11-13-59	P		24		0	41.40		
Yates A	4	7-9-59	P		24		0	23.38		
		8-13-59	P		24		0	40.30		
		9-13-59	P		24		0	44.90		

No well will be assigned an allowable greater than the amount of oil produced on the official test.

During gas-oil ratio test, each well shall be produced at a rate not exceeding the top unit allowable for the pool in which well is located by more than 25 percent. Operator is encouraged to take advantage of this 25 percent tolerance in order that well can be assigned increased allowables when authorized by the Commission.

Gas volumes must be reported in MCF measured at a pressure base of 15.025 psia and a temperature of 60 degrees F. Specific gravity base will be 0.60.

Mail original and one copy of this report to the district office of the New Mexico Oil Conservation Commission. In accordance with Rule 301 and Appropriate Pool Rules.

(I certify that the information given is true and complete to the best of my knowledge.)

Date.....December 10, 1959.....

Newmont Oil Company
Company

By.....

Herminio Ledwith

Superintendent
Title

No. 572212

RECEIPT FOR CERTIFIED MAIL—20¢

SENT TO <i>Ambassador Oil Co.</i>		POSTMARK OR DATE DEC 14 1959 N. MEX.
STREET AND NO. <i>Box 9338</i>		
CITY AND STATE <i>North Tex</i>		
If you want a return receipt, check which <input type="checkbox"/> 10¢ shows to whom and when delivered <input type="checkbox"/> 35¢ shows to whom, when, and address where delivered <input type="checkbox"/> 50¢ fee		
If you want restricted delivery, check here <input type="checkbox"/> 50¢ fee		
FEES ADDITIONAL TO 20¢ FEE		
POD Form 3800 Jul 1957		SEE OTHER SIDE

No. 572214

RECEIPT FOR CERTIFIED MAIL—20¢

SENT TO <i>State Engineer</i>		POSTMARK OR DATE DEC 14 1959 N. MEX.
STREET AND NO. <i>State Capitol</i>		
CITY AND STATE <i>Santa Fe N.M.</i>		
If you want a return receipt, check which <input type="checkbox"/> 10¢ shows to whom and when delivered <input type="checkbox"/> 35¢ shows to whom, when, and address where delivered <input type="checkbox"/> 50¢ fee		
If you want restricted delivery, check here <input type="checkbox"/> 50¢ fee		
FEES ADDITIONAL TO 20¢ FEE		
POD Form 3800 Jul 1957		SEE OTHER SIDE

No. 572211

RECEIPT FOR CERTIFIED MAIL—20¢

SENT TO <i>Dixon Yates Oil Co.</i>		POSTMARK OR DATE DEC 14 1959 N. MEX.
STREET AND NO. <i>Carper Bldg</i>		
CITY AND STATE <i>Artesia N.M.</i>		
If you want a return receipt, check which <input type="checkbox"/> 10¢ shows to whom and when delivered <input type="checkbox"/> 35¢ shows to whom, when, and address where delivered <input type="checkbox"/> 50¢ fee		
If you want restricted delivery, check here <input type="checkbox"/> 50¢ fee		
FEES ADDITIONAL TO 20¢ FEE		
POD Form 3800 Jul 1957		SEE OTHER SIDE

A. J. LOSEE
EDWARD B. STEWART

LAW OFFICES
LOSEE AND STEWART
CARPER BUILDING - P. O. BOX 1117
ARTESIA, NEW MEXICO
23 December 1959

Mr. A. L. Porter, Secretary
New Mexico Oil Conservation Commission
Mabry Hall
Santa Fe, New Mexico

Gentlemen:

We have received the application of Newmont Oil Company for administrative approval of the conversion into injection wells of, among other wells, the Yates Number 4 in the NE/4 SW/4 of Section 6, Township 18 South, Range 30 East, included within the pilot water flood in the Loco Hills Pool.

You are advised that Yates Brothers and Martin Yates III, the holders of a production payment under Federal Oil and Gas Lease LC 049947-A, object to the conversion of this producing well into a water injection well for the reasons that their correlative rights will be impaired by the conversion and that the proposed injection well is not located on a water injection pattern, which will result in a thorough and efficient sweep by the water flood.

On behalf of Yates Brothers and Martin Yates III, we request that this matter be set for hearing before the Commission or an Examiner so that we may have an opportunity to offer proof of our objections.

Very truly yours,


A. J. Losee

cc Ambassador Oil Company
Box 9338
Fort Worth, Texas

State Engineer's Office
Santa Fe, New Mexico

Yates Brothers
Artesia, New Mexico

*Jim -
objection to
Admin. approval
Set for hearing
on Jan. 27*

Mr. A. L. Porter

Page -2-

23 December 1959

Newmont Oil Company
300 Booker Building
Artesia, New Mexico

Attention: Mr. Herman J. Ledbetter

Newmont Oil Company
1125 Fort Worth National Bank Bldg.
Fort Worth, Texas

Attention: Mr. Charles Langdon



STATE OF NEW MEXICO

STATE ENGINEER OFFICE

SANTA FE

S. E. REYNOLDS
STATE ENGINEER

February 6, 1960

ADDRESS CORRESPONDENCE TO:
P. O. BOX 1079
SANTA FE, N. M.

WAX 28

Mr. A. L. Porter, Jr.
Secretary-Director
Oil Conservation Commission
Santa Fe, New Mexico

Dear Mr. Porter:

Reference is made to the application seeking to convert three wells to injection wells in the Loco Hills area submitted January 8, 1960 by the Newmont Oil Company. The specific wells involved in this application are the Yates "A" No. 12 in the NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 6, Township 18 South, Range 30 East; Brigham No. 1 in the SE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 31, Township 17 South, Range 30 East and Coppedge No. 2 in the NW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 5, Township 18 South, Range 30 East.

In the case of the Yates "A" No. 12, my review reveals that this well was drilled in 1957 and it appears that the construction is adequate and I find no reason to object to the granting of the application insofar as this ~~one~~ well is concerned. In the case of the Brigham No. 1 and the Coppedge No. 2, the situation is quite different. These two wells were drilled early in 1940 and have 469 feet and 444 feet, respectively of 8 $\frac{1}{4}$ inch casing as surface casing, cemented with only 50 sacks. Each hole has more than 2700 feet of 7 inch casing and in each case was set with 100 sacks of cement. Due to the age of the casing, the limited amount of cement used in setting the casing, the absence of any test on the casing and the fact that 7 inch is run inside of 8 $\frac{1}{4}$ inch, I do not consider the construction of these wells adequate to protect the waters in the area from migration and contamination and therefore request that the application be denied insofar as these two wells are concerned, unless the applicant is willing to reconstruct or repair the wells in such a manner as will adequately protect any fresh waters which may exist in the area.

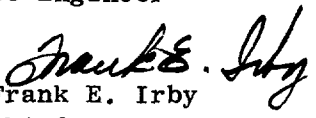
I have tried to call Mr. Ledbetter by telephone concerning this matter and was unable to reach him. I do not wish to delay my recommendations

on this matter and since I will be out of the office most of next week,
I felt it advisable to handle it by mail.

FEI/ma
cc-H. J. Ledbetter

Yours truly,

S. E. Reynolds
State Engineer

By: 
Frank E. Irby
Chief
Water Rights Division



STATE OF NEW MEXICO

STATE ENGINEER OFFICE

SANTA FE

S. E. REYNOLDS
STATE ENGINEER

February 23, 1960

ADDRESS CORRESPONDENCE TO:
P. O. BOX 1079
SANTA FE, N. M.

Mr. A. L. Porter, Jr.
Secretary-Director
Oil Conservation Commission
Santa Fe, New Mexico

Dear Mr. Porter:

6-199
This office has received a letter from Mr. Herman J. Ledbetter, Superintendent, Newmont Oil Company stating that the 7 inch surface pipe in the Yates "A" No. 7 has been cemented in to meet our requirements so that this well may be used as an injection well. We, therefore, withdraw our objection of February 6, 1960.

WEX-28
This office has agreed that our objections to Brigham No. 1 and Coppedge No. 2 will be withdrawn if pressure tests are made in the presence of a representative of the State Engineer Office and the casing withstands a gage pressure at the surface of 1500 pounds per square inch.

Very truly yours,

S. E. Reynolds
State Engineer

By: *D. E. Gray*
D. E. Gray, Engineer
Water Rights Division

DEG/bv
cc: Herman J. Ledbetter

LARGE FORMAT
EXHIBIT HAS
BEEN REMOVED
AND IS LOCATED
IN THE NEXT FILE