

Fina Oil and Chemical Company 6 Desta Drive, Suite 4400 Midland, Texas 79705 P.O. Box 2990 Midland, Texas 79702 (915) 688-0600

August 6, 1990

Energy, Minerals and Natural Resources Department Oil Conservation Department 310 Old Santa Fe Trail, Rm. 206 Santa Fe, NM 87503

OIL CONSERVE ON DIVISION REFE FED

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Attn: David Catanach

Gentlemen:

Fina was advised by letter dated June 27, 1990, from the OCD District office in Hobbs that the Horton Federal Well Nos. 12, 20 and 25 did not pass casing mechanical integrity tests and should be shut-in and repaired immediately. After receiving verbal approval from Jerry Sexton in the Hobbs office, repair attempts were made on all three wells. Well No. 20 was repaired and placed back on injection after being successfully re-tested. However, after attempting a total of four squeeze attempts on Well Nos. 25 and 12, it was concluded that the only feasible method of restoring injection in these wells was to cement an inner string of plastic-coated 2 7/8" tubing from surface to the injection packer, using a cement pump-out sleeve to protect the formation. Upon attempting to receive approval to proceed with this procedure, we were informed by Mr. Sexton that we would need to contact your office. However, we have been unable to reach you by telephone, and are therefore requesting permission to proceed with this work at this time. This matter was discussed with Mr. Stogner during our initial call to your office, but he also indicated that the approval process must be directed through you. A copy of the referenced letter is attached. If we can be of further assistance, please contact either Jerry Nevans or myself at (915) 688-0600.

Sincerely,

Rorald F. Smelley

Ron Smelley *V* Division Production Manager



STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

XI FRESS J. N.L SLIM 6-2940

OIL CONSERVATION DIVISION HOBBS DISTRICT OFFICE

GARREY CARRUTHERS

June 27, 1990

POST OFFICE BOX 1980 HOBBS, NEW MEXICO 98241-1980 (505) 393-6161

Fina Oil & Chemical P. O. Box 2990 Midland, Texas 79702

Re: Horton Federal Pressure Test Results

Gentlemen:

The Oil Conservation Division recently witnessed annulus pressure tests on the active injection wells in your Horton Federal Waterflood Project.

The following wells failed to meet mechanical integrity standards with the information available indicating possible casing leaks:

Horton	Federal	#12-N	30-8-35
**		#20-D	29-8-35
44		#25-F	29-8-35

As required by the EPA, we request that you shut in these wells until such time as repairs are made and approved.

We are enclosing copies of the test sheets and/or charts for your information.

We request 24 hours notice prior to any repairs in order to witness the operation and the annulus pressure test upon completion of repairs.

Very truly yours

OLA CONSERVATION DIVISION

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Jerry Sexton Supervisor, District I

JS:bp

cc: William J. LeMay File

Encl.



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS

August 10, 1990

POST OFFICE BOX 2088 STATE LAND OFFICE BLILDING SANTA FE, NEW MEXICO 87504 (505) 827-5800

Fina Oil & Chemical Company P.O. Box 2990 Midland, Texas 79702

Attention: Ron Smelley

Re: Horton Federal Well Nos. 12 & 25 Units N & F, Sections 30 & 29, T-8 South, Range 35 East, NMPM, Lea County, New Mexico.

Dear Mr. Smelley:

Reference is made to your letter dated August 6, 1990, whereby you requested authorization to cement a string of 2 7/8 inch tubing from the injection packer to the surface, for the purpose of demonstrating mechanical integrity in the above-described injection wells. It is our understanding that this work is necessary inasmuch as several attempts to squeeze cement casing leaks in these wells have been unsuccessful.

You are hereby authorized to perform the work as described above on the subject wells provided that once every two years an injection tracer survey must be run on each of these wells in order to demonstrate mechanical integrity.

Please advise Mr. Jerry Sexton of the date and time of conductance of such work in order that it may be witnessed.

Sincerely,

David Catanach Engineer

xc: OCD-Hobbs File PMX-76