

The Ohio Oil Co.

Legal Department

September 18, 1959

W. Hume Everett
Division Attorney

Thomas K. McElroy

J. C. Terrell Couch

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Attorneys

file

P.O. Box 3128
Houston, Texas

New Mexico Oil Conservation Commission
Attention: Mr. A. L. Porter, Jr.
Secretary-Director
Box 871
Santa Fe, New Mexico

Dear Sir:

Re: Case 1765 - Sept. 30, 1959 Examiner's
Docket

Thank you very much for your letter of September 15 giving the reason that our Application in the above case was set for hearing.

It is my understanding that the Lower San Andres formation, into which we contemplate disposal of salt water, is a separate reservoir from that portion of the San Andres which is productive of oil in the area, and I had, therefore, assumed that the two portions of the San Andres formation would be regarded as separate formations for the purposes of applying Statewide Rule 701.

I have not discussed this matter with Mr. B. G. Howard, who filed the application for The Ohio Oil Company, and my understanding that the two portions of the San Andres formation are separate may be in error. However, I feel sure that a full statement of the facts necessary for Commission action can and will be presented at the hearing.

Thank you again for your reply to my letter.

Very truly yours,

J. C. Terrell Couch
J. C. TERRELL COUCH

JOTC/1

Air Mail

OIL CONSERVATION COMMISSION

P. O. BOX 871
SANTA FE, NEW MEXICO

September 15, 1959

Mr. J. O. Terrell Couch
The Ohio Oil Company
P. O. Box 3128
Houston, Texas

Dear Mr. Couch:

Reference is made to your letter of September 14, 1959, wherein you inquired as to why the Ohio Oil Company's application for administrative approval to convert its State B-4286 "A" Well No. 2 into a salt water disposal well had been set by the Commission for hearing on the September 30th examiner docket.

The Ohio proposal is to inject into the Lower San Andres formation in the SE/4 NW/4 of Section 2, Township 17 South, Range 36 East. There are producing wells completed in the San Andres formation in the NW/4 NE/4 and the SW/4 NE/4 of Section 2, a distance less than a quarter of a mile from your No. 2 well. Rule 701 provides for administrative approval for the conversion of wells only into formations non-productive of oil or gas within a radius of two miles from the proposed injection well. Any exception to this requirement must have a hearing.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

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The Ohio Oil Co.

Legal Department

W. Hume Everett
Division Attorney

September 14, 1959

P.O. Box 3128
Houston, Texas

Thomas H. McCloy
J. C. Terrell Couch
Warren B. Leach, Jr.
Attorneys

New Mexico Oil Conservation Commission
Attention: Mr. A. L. Porter
P. O. Box 871
Santa Fe, New Mexico

Gentlemen:

Re: Proposed Exception to Rule 701

The Ohio Oil Company's Hobbs office has previously filed application dated September 2, 1959 seeking authority to convert its State B 4286 "A" Well No. 2 into a salt water disposal well, together with authority to dispose of salt water as recompleted.

It is my understanding that the case has been set for hearing on your September 30 Examiner's Docket. Please advise me whether there has been objection to the Ohio's proposed action, or whether there is some other reason the application cannot be granted without the necessity of hearing.

Very truly yours,


J. C. TERRELL COUCH

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