

Der Carlos and services

STATE OF NEW MEXICO

STATE ENGINEER OFFICE SANTA FE

S. E. REYNOLDS

November 10, 1964

ADDRESS CORRESPONDENCE TO: STATE CAPITOL SANTA FE, N. M.

87501

Mr. A. L. Porter, Jr. Secretary-Director Oil Conservation Commission Santa Fe, N. M.

Dear Mr. Porter:

Reference is made to the application of Newmont Oil Company submitted by John F. Russell on November 2, 1964 which seeks approval to convert the following wells to water injection in the West Square Lake Waterflood Project:

Leonard "E" Well No. 1 SE¹/₄SE¹/₄ Sec. 33, T. 16 S., R. 30 E. NW4SE4 Sec. 33, T. 16 S., R. 30 E. Leonard "E" Well No. 3 Leonard "E" Well No. 8 $SE_{4}^{1}NW_{4}^{1}$ Sec. 4, T. 17 S., R. 30 E. Leonard "E" Well No. 13 NW4SE4 Sec. 4, T. 17 S., R. 30 E. Leonard "E" Well No. 16 SE¹₄SE¹₄ Sec. 4, T. 17 S., R. 30 E. SE¹/₄NW¹/₄ Sec. 4, T. 17 S., R. 30 E. Evans "A" Well No. 2 SELSWA Sec. 4, Evans "A" Well No. 15 T. 17 S., R. 30 E. Evans "B" Well No. 8 NW¹/₄SW¹/₄ Sec. 33, T. 16 S., R. 30 E. Leonard State Well No. 1 SE¹₄SE¹₄ Sec. 32, T. 16 S., R. 30 E. George Etz "A" Well No. 5 SW SEL Sec. 35, T. 16 S., R. 30 E.

It is noted that seven of these wells are 22 years old and the three remaining wells are 18 years old and that the Leonard No. 1 was plugged and abandoned in 1950 after completion in 1942.

It is further noted that all cement tops are estimated and that no statement is made as to whether injection will be down internally plastic-coated tubing under packer. Very little information as to the proposed completion of these wells for injection purposes is given. However, this office offers no objection to the granting of the application, provided injection is down internally plastic-coated tubing under a packer or adequate tests are made of the casing prior to injection and at frequent intervals thereafter, and further provided that the replacement or re-entry of the Leonard E No. 1 is constructed in a manner equal to or better than the above limitations.

Yours truly,

S. E. Reynolds State Engineer

By: Shan

Frank E. Irby Chief Water Rights Div.

FEI/ma

cc-J. F. Russell F. H. Hennighausen

OIL CONSERVATION COMMISSION P. O. BOX 871 SANTA FE, NEW MEXICO

December 7, 1964

Mr. John Russell Attorney at Law Post Office Drawer 640 Roswell, New Mexico

Dear Gir:

Enclosed herewith is Commission Order No. R-2823, entered in Case No. 3147, approving the expansion of Newmont Oil Company's West Square Lake Waterflood Project.

As discussed at the hearing, injection is to be through casing, after the casing in all of the ten authorized injection wells has been pressure-tested to the maximum expected injection pressure of 1300 psi and the results of such tests furnished to the Commission and to the State Engineer Office at Santa Fe. In the event casing failure is detected in any well, injection shall be permitted in said well only through tubing and packer. « As further agreed to at the hearing, the Commission and the State Engineer Office in Santa Fe are to be notified in the event of any significant decrease in injection pressure in any well or decrease in injection pressure in any well or any significant increase in injection volumes; also when produced water is first recycled for injection purposes.

As to allowable, our calculations indicate that when all of the authorized injection wells have been placed on active injection and when all of the proposed producing wells are put on production, the maximum allowable which this project will be eligible to receive under the provisions of Rule 701-E-3 is 2394 barrels per day, providing the various individual leases in the project area are covered by some agreement for consolidation of allowable approved by the royalty owners.

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

OIL CONSERVATION COMMISSION P. O. BOX 871 SANTA FE, NEW MEXICO

PAGE -2-Mr. John Russell Attorney at Law Post Office Drawer 640 Roswell, New Mexico

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

ALP/DSN/ir

cc: Mr. Frank Irby State Engineer Office Santa Fe, New Mexico

> Oil Conservation Commission: Hobbs and Artesia, New Mexico

LAW OFFICES OF ----JOHN F. RUSSELL SUITE IOIO SECURITY NATIONAL BANK BUILDING ຕ. P O. DRAWER 640 100 ROSWELL, NEW MEXICO 88201 3 November 2, 1964

TELEPHONE 622-464 AREA CODE 505

der 3147

Oil Conservation Commission Box 2088 Santa Fe, New Mexico 87501

Gentlemen:

I transmit herewith an application of Newmont Oil Company with the request that it be set down at the examiner hearing scheduled for November 24.

A copy of this application and exhibits have been forwarded to Frank Irby at the office of the State Engineer.

Very truly yours,

John J. Ausself John F. Russell

JFR:np

Enclosures

cc: Mr. Frank Irby - w/encls.

DOCKET MAILED

injection is to be through casing as ing in ten If his discussed at the hearing, all of the authorized injection wells are to be pressure-tested to the maximum expected injection pressure of 1800 psi and the results of such tests furmished to the Commission and to the State Engineer Office at Santa Fe. In the event casing weakne failure is detected in any well, injection shall be permitted in said well only through tubing and packer. As further agreed to at the hearing, the Commission and the State Engineer Office in Santa Fe are to be notified in the event of any significant decrease in injection pressure in any well or any significant increase in injection volumes; also when produced water is first recycled for injection the purposes. (pente)

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State of New Mexico fil Conservation Commission



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

AND COMMISSIONER S. JOHNNY WALKER MEMBER

> P. O. BOX 2088 SANTA FE 87501

Mr. John Russell Attorney at Law Post Office Drawer 640 Roswell, New Mexico

and when all of the proposed pro-ancing wills are put on pro-duction,

Gentlemen:

Enclosed herewith is Commission Order No. R-2823, entered in Case No. 3147, approving the <u>expansion of Newmont Oil Company's</u> west Square Lake Water Flood Project. As to allowable, indicate that when

As to allowable, According to our calculations, 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 to the maximum free provisions of Rule 701-E-3

project will be eligible to receive under the provisions of Rule 701-E-3 is 7577 barrels per day, providing the variant individual leases in the 2394 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 behaves 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,

cc: Mr. Frank Irby OCC - Hobbs and Artesia A. L. PORTER, Jr. Secretary-Director