OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO

August 21, 1967

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

Dear Sir:

Reference is made to Commission Order No. R-3230, entered in Case No. 3566, approving the expansion of the Hudson and Hudson Puckett Waterflood Project.

Additional injection is to be through the 10 newly authorized water injection wells which shall be equipped as follows:

In the case of old wells such as Nos. 2, 5, 7, 9, and 11, which all have 7-inch casing set at the top of the pay, liners shall be run through the pay and tubing and packers set in the upper portion of the liner. In the case of newer wells which have casing set through the pay, injection shall be through tubing. In the event more than one zone is placed on selective injection in one of these newer wells, tubing and packers shall be run and injection of fresh water only will be permitted down the casing-tubing annulus.

In accordance with Mr. Ralph Gray's latter of June 22, 1967, and several subsequent telephone conversations between him and Mr. Dan Nutter of this office, written confirmation is hereby given of the authority for Hudson and Hudson to inject down the casing in the older wells for a maximum of 6 months in order to obtain partial reservoir fill-up prior to running the liners and perforating. This will permit obtaining injectivity profiles and should also help to prevent cement loss in cementing the liners.

Please advise this office in the event fill-up has not been obtained or if the liners have not been run by January 1, 1968.

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SANTA FE, NEW MEXICO

-2-Mr. Jason Kellahin Kellahin & Fox Attorneys at Law Santa Fe, New Mexico August 21, 1967

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 1780 barrels per day when the Southeast New Mexico normal unit allowable is 42 barrels per day or less.

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

ALP/DSN/ir

cc: Oil Conservation Commission - Artesia, New Mexico

U. S. Geological Survey - Artesia, New Mexico

Mr. Frank Irby, State Engineer Office, Santa Fe, N. Max.

State of New Mexico Gil Conservation Commission

LAND COMMISSIONER GUYTON B. HAYS MEMBER



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

P. O. BOX 2088 SANTA FE

May 9, 1967

Mr. Jason Kellahin	Re: Case No.	3566	
Kellahin & Fox	Order No	R-3230	
Attorneys at Law Post Office Box 1769 Santa Fe, New Mexico	Applicant:		
	Hudson & Hudson		

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.

Very truly yours,

A. L. PORTER, Jr. Secretary-Director

ALP/ir

Carbon copy of order also sent to:

Hobbs	occ	×
Artesi	a OCC_	×
Aztec	OCC_	
State	Engine	eer x

Other		

RALPH L. GRAY

PETROLEUM ENGINEERING - PRODUCTION

CONSULTANT

P. O. BOX 198

ARTESIA, NEW MEXICO

June 22, 1967

New Mexico Oil Conservation Commission P. O. Box #2088 Santa Fe, New Mexico 87501

Attention: Mr. A. L. Porter, Jr., Secretary

Dear Sir:

A short time ago William A. & Edward R. Hudson filed an application with the Oil Conservation Commission for expanding their waterflood project in the Maljamar Pool to their Puckett "B" lease. This expansion program was approved by your Order No. R-3230. As stated in our testimony, the program for converting Puckett "B" #2, 7, 9 and 11 includes cleaning these wells out, running Gamma Ray-Sonic surveys and then cementing $4\frac{1}{2}$ " liners throughout the open hole, perforating the pay zones and setting packers in the upper portion of the $4\frac{1}{2}$ " liners.

We wish permission to deviate slightly from this program as outlined at the hearing. After running the Gamma Ray-Sonic surveys, we would like to inject water into the open hole sections for a relatively short period of time until we get a small pressure build-up in the bore hole. We will then run flow meter surveys in order to determine what intervals are taking water. It is desired to perform this testing before the liners are run in order to supplement information that we will obtain by logging. The amount of water that we propose to inject before running the flow meter is difficult to state at this time, but the injection would only be temporary. After this information is obtained, we will then proceed with the normal program of cementing liners throughout the open hole and completing the conversion as previously stated in our testimony.

We were not certain whether your approval would be needed on this preliminary work but your authorization is being requested so that there will be no chance for a misunderstanding.

Yours very truly,

REGISTE ED PETROLEUM ENGENEER.

cc: New Mexico Oil Conservation Commission Attention: Mr. W. A. Gressett Artesia, New Mexico

> Continental Oil Company Attention: Mr. L. P. Thompson, Superintendent Hobbs, New Mexico

William A. & Edward R. Hudson



STATE ENGINEER OFFICE SANTA FE

S. E. REYNOLDS State engineer April 17, 1967

ADDRESS CORRESPONDENCE TO: STATE CAPITOL SANTA FE, NEW MEXICO 87501

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

Dear Mr. Porter:

Reference is made to the application of W. A. and E. R. Hudson which seeks permission of the Oil Conservation Commission to expand their existing waterflood project on their Puckett lease in the Maljamar Pool in Eddy County, by converting 10 wells in Sections 24 and 25, T. 17 S., R. 31 E., to water injection. The application states that water will be purchased from Double Eagle Water Company which is fresh water from their supply system, but does not state whether produced water will be reinjected. I have found the following additional deficiencies in the application:

- There is no indication as to where the packers will be set in any of the wells.
- 2. No indication of use of a packer in the Puckett "B" #12 is indicated and the size of the production casing is not given and the quality of cement is not given for either of the casing strings.
- 3. By perforations above the packer indicated on the diagrammatic sketch, it appears that Puckett "B" #14 is intended to be a dual injection well. This is the only one showing perforations above the packer, but it would lead to the question as to whether all of the wells are to be dual injectors.
- 4. The diagrammatic sketch for Puckett "B" #18 indicates that a packer will be set if the Grayburg interval is perforated, but does not state where the packer will be set.

5. No packer is indicated for Puckett "B" #20.

FEI/ma cc-Jason Kellahin Yours truly,

S. E. Reynolds State Engineer

By: Sant & Frank E. Irby

Chief

Water Rights Div.