

Case Number  
4537

Application

Transcripts

Small Exhibits

ETC.

dearnley-meier reporting service, inc.

SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIONS

209 SUMMIT BLDG. • P.O. BOX 1092 • PHONE 243-4491 • ALBUQUERQUE, NEW MEXICO

BEFORE THE  
NEW MEXICO OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico  
May 19, 1971

EXAMINER HEARING

IN THE MATTER OF:

Application of Union Oil Company of  
California for salt water disposal,  
Lea County, New Mexico.

Case No. 4537

BEFORE: Daniel S. Nutter, Examiner.

TRANSCRIPT OF HEARING

1 MR. NUTTER: Call the next Case No. 4537.

2 MR. HATCH: Case 4537, application of Union Oil  
3 Company of California for salt water disposal, Lea County,  
4 New Mexico.

5 MR. LOPEZ: My name is Owen Lopez. I'm associated  
6 with Montgomery, Federici, Andrews, Hannahs and Morris, Santa  
7 Fe. I have one witness I would like to have sworn.

8 (Witness sworn.)

9 (Whereupon, Applicant's Exhibits 1 through 5 were  
10 marked for identification.)

11 CURTIS PHILLIPS,

12 having been first duly sworn, testified as follows:

13 DIRECT EXAMINATION

14 BY MR. LOPEZ:

15 Q Would you please state your name and with what company  
16 you are employed and in what capacity?

17 A I am Curtis Phillips, petroleum engineer with Union Oil  
18 of California. I have worked for that company seven  
19 years in that capacity.

20 Q Have you testified before, before the Commission, Mr.  
21 Phillips?

22 A No.

23 Q Would you please tell the Examiner, inform them of some  
24 of your background, educational, and otherwise?

25 A In 1964 I graduated from the University of Oklahoma with

1 a masters degree in petroleum engineering. At that  
2 time, I went to work for Union Oil of California in  
3 the capacity of petroleum engineer. Worked in the  
4 Midland office for that company since that time,  
5 concerning myself with their properties in the New  
6 Mexico and West Texas areas.

7 MR. LOPEZ: Are his qualifications acceptable?

8 MR. NUTTER: Yes, they are.

9 Q (By Mr. Lopez) Mr. Phillips, are you familiar with  
10 Union Oil's application in Case No. 4537?

11 A Yes, I am.

12 Q What does Union Oil propose to do?

13 A We propose to convert the well shown -- Well 2-35 in  
14 the South Vacuum Unit, Lea County, New Mexico, to salt  
15 water disposal.

16 Q Now, I ask you to refer to Exhibit No. 1 and ask you to  
17 identify it.

18 A This is a map showing an area of the South Vacuum  
19 Devonian Field and shows an area in a circle approxi-  
20 mately two miles in radius with the ownership and the  
21 proposed salt water disposal well designated with an  
22 arrow in the center of this circle.

23 Q Now, the other wells indicated by dots, those are now  
24 producing wells?

25 A Yes. The wells indicated by dots are currently producing

1 from the South Vacuum Devonian Pool; several wells are  
2 indicated which have been plugged and abandoned or were  
3 dry holes upon drilling.

4 Q Do you have an injection well in this area at the  
5 present?

6 A We presently operate a well outside of the two-mile  
7 circle shown in Section 24, part of the Reeves Field.  
8 It is used for injection of the salt water that is  
9 produced from the South Vacuum Unit and other wells in  
10 the South Vacuum Devonian Field. Salt water is  
11 transmitted via pipe lines that have been in service  
12 for quite sometime.

13 We also have operated in the past, wells shown in  
14 the Southwest quarter of Section 36 immediately off-  
15 setting the well that we propose to convert to injection.  
16 This well is no longer -- it's designated as a dry hole  
17 and is no longer being operated as a salt water disposal  
18 well, due to its -- certain problems with the well, it  
19 has been plugged and abandoned.

20 Q Do these wells, these producing wells of the Union Oil,  
21 are they making water at present?

22 A All the wells which produce from the Devonian Formation,  
23 in the South Vacuum area, produce at greater than ninety  
24 percent water cut.

25 Q Now, I ask you to refer to Exhibit No. 2 and identify

1 and explain what it means.

2 A This is a schematic diagram of our proposed conversion  
3 of Well 2-35 in the South Vacuum Unit, which shows the  
4 various surface and intermediate casing strings with  
5 cementing program which indicate both the shallower  
6 strings of pipe were cemented to the surface; the long  
7 string casing is seven inches in diameter, the top of  
8 the cement being approximately 7490 feet by temperature  
9 survey and we propose to install two-inch plastic coated  
10 tubing on a packer to be set at 11,600 feet; inject  
11 the salt water into the existing perforations in the  
12 Devonian Zone at 11,680 to 690 feet. Wells formerly  
13 drilled deeper to the McKee and a five-inch liner set  
14 below the Devonian, this has been plugged back since  
15 1960 and should be of no consequence.

16 Q In your opinion, if your application is granted, would  
17 this prevent waste and protect correlative rights?

18 A Yes. The South Vacuum Devonian Field is a strong water  
19 drive reservoir. This well being located well below  
20 the current water-oil contact and there would be no  
21 damage to correlative rights and would certainly prevent  
22 the waste of oil since the South Vacuum Devonian Unit  
23 is currently being curtailed due to the lack of salt  
24 water disposal capacity.

25 So, on granting of this application, we would be

1       able to increase the production of the South Vacuum  
2       Devonian Unit to its full producing capacity and future  
3       plans would -- for exploitation of the reservoir include  
4       the drilling of an additional added oil recovery well at  
5       the apex of the South Vacuum Devonian structure. This,  
6       of course, cannot be accomplished until adequate salt  
7       water disposal capacity is developed.

8       Q     Now, I refer you to Exhibit 3, 4 and 5 and ask you if  
9       these are waivers of the offset operators?

10      A     Yes, they are.

11      Q     Were Exhibits 1 and 2 prepared by you or under your  
12      supervision?

13      A     Yes, they were.

14           MR. LOPEZ: At this time, I'd like to introduce  
15      Exhibits 1 through 5 of Union Oil.

16           MR. NUTTER: Union's Exhibits 1 through 5 will be  
17      admitted in evidence.

18      Q     (By Mr. Lopez) Do you have anything further to offer?

19      A     No.

20                   CROSS EXAMINATION

21      BY MR. NUTTER:

22      Q     Mr. Phillips, you did mention that this tubing would be  
23      plastic coated?

24      A     Yes, sir.

25      Q     How about the annulus, how do you treat the annulus?

1 A It will be filled with an inert fluid to prevent  
2 corrosion to the seven-inch casing and a casing gauge  
3 would be installed at the surface so that any down-hole  
4 leaks or problems should develop, they could be detected  
5 very quickly.

6 Q Very good. And the intermediate and the surface pipe  
7 both are circulated to the surface?

8 A Yes, sir.

9 MR. NUTTER: Are there any further questions of the  
10 witness? He may be excused.

11 (Witness excused.)

12 MR. NUTTER: Do you have anything further, Mr.  
13 Lopez?

14 MR. LOPEZ: No.

15 MR. NUTTER: Does anyone have anything they wish  
16 to offer in Case No. 4537? Case will be taken under advise-  
17 ment.

18  
19  
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I N D E X

WITNESS

PAGE

CURTIS PHILLIPS

Direct Examination by Mr. Lopez

2

Cross Examination by Mr. Nutter

6

E X H I B I T S

Applicant's 1 through 5

2

dearnley-meier reporting service, inc.

1 STATE OF NEW MEXICO )  
2 COUNTY OF BERNALILLO ) ss

3 I, SYLVIA AMARO, Court Reporter in and for the County  
4 of Bernalillo, State of New Mexico, do hereby certify that  
5 the foregoing and attached Transcript of Hearing before the  
6 New Mexico Oil Conservation Commission was reported by me;  
7 and that the same is a true and correct record of the said  
8 proceedings to the best of my knowledge, skill and ability.  
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Sylvia Amaro  
Court Reporter

I do hereby certify that the foregoing is  
a correct record of the proceedings in  
the hearing before the Commission in  
case of the State of New Mexico.  
2/19/53  
Sylvia Amaro  
Court Reporter



# OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO  
P. O. BOX 2088 - SANTA FE  
87501

May 24, 1971

GOVERNOR  
BRUCE KING  
CHAIRMAN  
LAND COMMISSIONER  
ALEX J. ARMJO  
MEMBER  
STATE GEOLOGIST  
A. L. PORTER, JR.  
SECRETARY - DIRECTOR

Mr. Owen Lopez  
Montgomery, Federici, Andrews,  
Hannahs & Morris  
Attorneys at Law  
Post Office Box 2307  
Santa Fe, New Mexico

Re: Case No. 4537  
Order No. R-4147  
Applicant:

Union Oil Company of California

Dear Sir:

Enclosed herewith are two copies of the above-referenced  
Commission order recently entered in the subject case.

Very truly yours,

A. L. PORTER, Jr.  
Secretary-Director

ALP/ir

Copy of order also sent to:

Hobbs OCC x  
Artesia OCC             
Aztec OCC           

Other            State Engineer Office

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
COMMISSION OF NEW MEXICO FOR  
THE PURPOSE OF CONSIDERING:

CASE NO. 4537  
Order No. R-4147

APPLICATION OF UNION OIL COMPANY  
OF CALIFORNIA FOR SALT WATER  
DISPOSAL, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on May 19, 1971,  
at Santa Fe, New Mexico, before Examiner Daniel S. Mutter.

NOW, on this 24th day of May, 1971, the Commission, a  
quorum being present, having considered the testimony, the record,  
and the recommendations of the Examiner, and being fully advised  
in the premises,

FINDS:

(1) That due public notice having been given as required  
by law, the Commission has jurisdiction of this cause and the  
subject matter thereof.

(2) That the applicant, Union Oil Company of California,  
seeks authority to utilize its South Vacuum Unit Well No. 2-35,  
located in Unit I of Section 35, Township 18 South, Range 35  
East, NMPM, South Vacuum-Devonian Pool, Lea County, New Mexico,  
to dispose of produced salt water into the Devonian formation  
in the perforated interval from 11,680 feet to 11,690 feet.

(3) That the injection should be accomplished through  
2 3/8-inch plastic-lined tubing installed in a packer set at  
approximately 11,600 feet; that the casing-tubing annulus should  
be filled with an inert fluid; and that a pressure gauge should  
be attached to the annulus at the surface in order to determine  
leakage in the casing, tubing, or packer.

-2-

CASE NO. 4537  
Order No. R-4147

(4) That approval of the subject application will prevent the drilling of unnecessary wells and otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Union Oil Company of California, is hereby authorized to utilize its South Vacuum Unit Well No. 2-35, located in Unit I of Section 35, Township 18 South, Range 35 East, NMPM, South Vacuum-Devonian Pool, Lea County, New Mexico, to dispose of produced salt water into the Devonian formation, injection to be accomplished through 2 3/8-inch tubing installed in a packer set at approximately 11,600 feet, with injection into the perforated interval from approximately 11,680 feet to 11,690 feet.

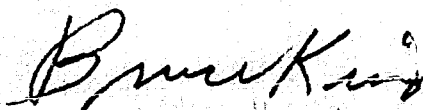
PROVIDED HOWEVER, that the tubing shall be plastic-lined; that the casing-tubing annulus shall be filled with an inert fluid; and that a pressure gauge shall be attached to the annulus at the surface in order to determine leakage in the casing, tubing, or packer.

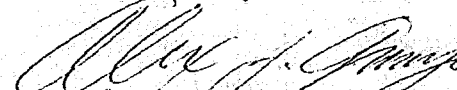
(2) That the applicant shall submit monthly reports of its disposal operations in accordance with Rules 704 and 1130 of the Commission Rules and Regulations.

(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

  
BRUCE KING, Chairman

  
ALEX J. ARMIJO, Member

  
A. L. PORTER, Jr., Member & Secretary

S E

dr/

DOCKET: EXAMINER HEARING - WEDNESDAY - MAY 19, 1971

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM,  
STATE LAND OFFICE BUILDING - SANTA FE, NEW MEXICO

The following cases will be heard before Daniel S. Nutter, Examiner or  
Elvis A. Utz, Alternate Examiner:

- ALLOWABLE: (1) Consideration of the allowable production of gas for  
June, 1971, from fifteen prorated pools in Lea, Eddy,  
Roosevelt and Chaves Counties, New Mexico; also pre-  
sentation of purchaser's nominations for said pools  
for the six-month period beginning July 1, 1971;
- (2) Consideration of the allowable production of gas from  
nine prorated pools in San Juan, Rio Arriba and  
Sandoval Counties, New Mexico, for June, 1971.

CASE 4352 (Reopened): (Continued from April 14 and April 28, 1971 Examiner  
Hearings)

In the matter of Case 4352 being reopened by the Oil Con-  
servation Commission upon its own motion to give all in-  
terested persons an opportunity to appear and present  
evidence to whether the Double L-Queen and Suble-Queen  
Pools, Chaves County, New Mexico, are in fact separate  
reservoirs or one common reservoir. Further, in the  
event it is found that the two pools comprise one common  
reservoir, the Commission will consider the adoption of  
special rules and regulations to provide for the classifi-  
cation of oil and gas wells, spacing and well location  
requirements for oil and gas wells, and an allocation  
formula for withdrawals from the gas wells and oil wells.

CASE 4535:

(Continued from the April 28, 1971 Examiner Hearing)

Application of Continental Oil Company for down-hole  
commingling, Lea County, New Mexico. Applicant, in the  
above-styled cause, seeks authority to commingle Monument-  
Tubb and Weir Drinkard oil production in the well-bore of  
its SEMU Well No. 70, located in Unit I of Section 15,  
Township 20 South, Range 37 East, Lea County, New Mexico.

CASE 4536:

Application of Eastland Oil Company for an exception to  
Order No. R-3221, as amended, Eddy County, New Mexico.  
Applicant, in the above-styled cause, seeks an exception  
to Order No. R-3221, as amended, to dispose into unlined  
surface pits water produced by three wells in the Power  
Grayburg-San Andres Pool, Eddy County, New Mexico, as  
follows:

Examiner Hearing - May 19, 1971  
-2-

Docket No. 10-71

(Case 4536 continued)

TOWNSHIP 17 SOUTH, RANGE 31 EAST  
Allied State Well No. 1 - SW/4 SW/4  
Section 32

TOWNSHIP 18 SOUTH, RANGE 31 EAST  
Kenwood Federal Well No. 1 - NE/4 NW/4  
Section 6  
Kenwood Federal Well No. 3 - NW/4 NW/4  
Section 6

*Guerra Lopez*  
*Curtis Phillips*  
CASE 4537: Application of Union Oil Company of California for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt into the Devonian formation in the perforated interval from 11,680 feet to 11,690 feet in its South Vacuum Unit Well No. 2-35 located in Unit I of Section 35, Township 18 South, Range 35 East, South Vacuum-Devonian Pool, Lea County, New Mexico.

*Cont'd to June 2*  
CASE 4538: Application of Jack F. Grimm Oil Company for an unorthodox oil well location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Rule 104 C I of the Commission Rules and Regulations to drill a well at an unorthodox location 880 feet from the South line and 1500 feet from the West line of Section 20, Township 11 South, Range 29 East, White Ranch Siluro-Devonian Pool, Chaves County, New Mexico.

CASE 4539: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Doanbuy Lease & Company, Inc., and all other interested persons to appear and show cause why its following described wells in Section 27, Township 14 South, Range 33 East, Saunders Pool, Lea County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program:

Atlantic State AC - 1	Well No. 1	Unit N
Atlantic State AC - 2	Well No. 2	Unit M
Atlantic State AC - 2	Well No. 3	Unit O
Atlantic State AC - 3	Well No. 4	Unit L
Atlantic State AC - 3	Well No. 5	Unit J
Atlantic State AC - 4	Well No. 6	Unit P
Atlantic State AC - 4	Well No. 7	Unit I



CASE 4540: Application of Mountain States Petroleum Corporation for re-delineation of certain pools, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the contraction of the Atoka-Pennsylvanian Gas Pool by the deletion of the W/2 of Section 19, Township 18 South, Range 26 East, Eddy County, New Mexico, and the extension of the West Atoka-Morrow Gas Pool to include the W/2 of Sections 18 and 19, said Township and Range.

CASE 4541: Application of Tenneco Oil Company for gas injection, McKinley County, New Mexico. Applicant, in the above-styled cause, seeks authority to inject casinghead gas produced by certain wells located in the Lone Pine-Dakota "D" Pool, McKinley County, New Mexico, into the Dakota A zone through perforations from 2547 feet to 2,552 feet in its Santa Fe Pacific Railroad Well No. 2 located in the NW/4 SW/4 of Section 13, Township 17 North, Range 9 West, South Hospah Field. The gas is to be injected for storage purposes awaiting the institution of a pressure maintenance project in the Lone Pine-Dakota "D" Pool.

CASE 4542: In the matter of the application of the Oil Conservation Commission of New Mexico upon its own motion for an order for the creation of the following pool:

West Warren-Blinbry Pool in  
Township 20 South, Range 38  
East, Lea County;

and for the extension of the following pools in Lea County;

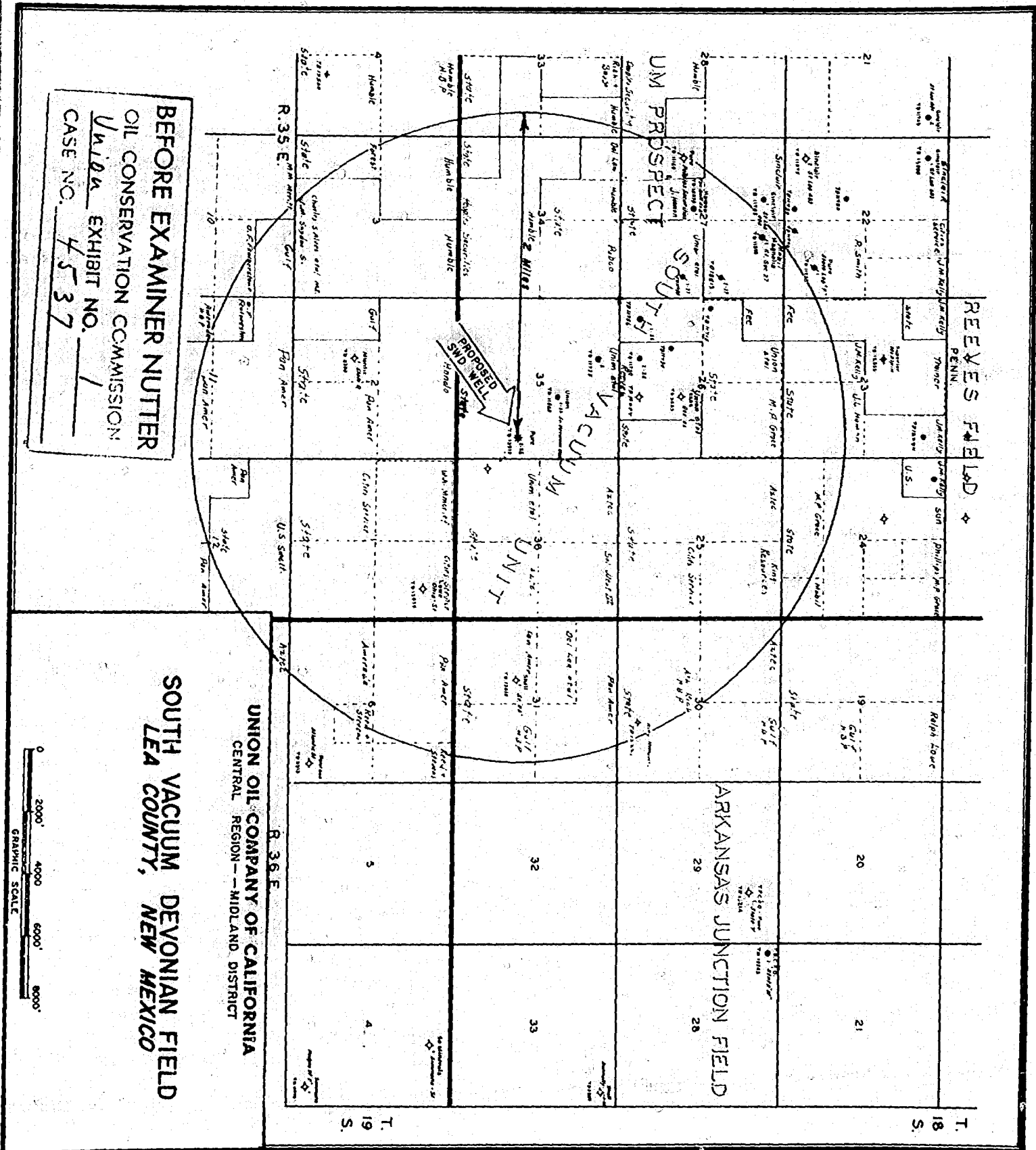
South Corbin-Morrow Gas Pool  
Maljamar Grayburg-San Andres Pool  
Vacuum-Abo Reef Pool  
Warren-Drinkard Pool  
Vada-Pennsylvanian Pool

and for the extension of the following pools in Eddy County:

Atoka-San Andres Pool  
South Carlsbad-Morrow Gas Pool  
Eagle Creek-San Andres Pool

and for the extension of the Buffalo Valley-Pennsylvanian Gas Pool in Chaves County.

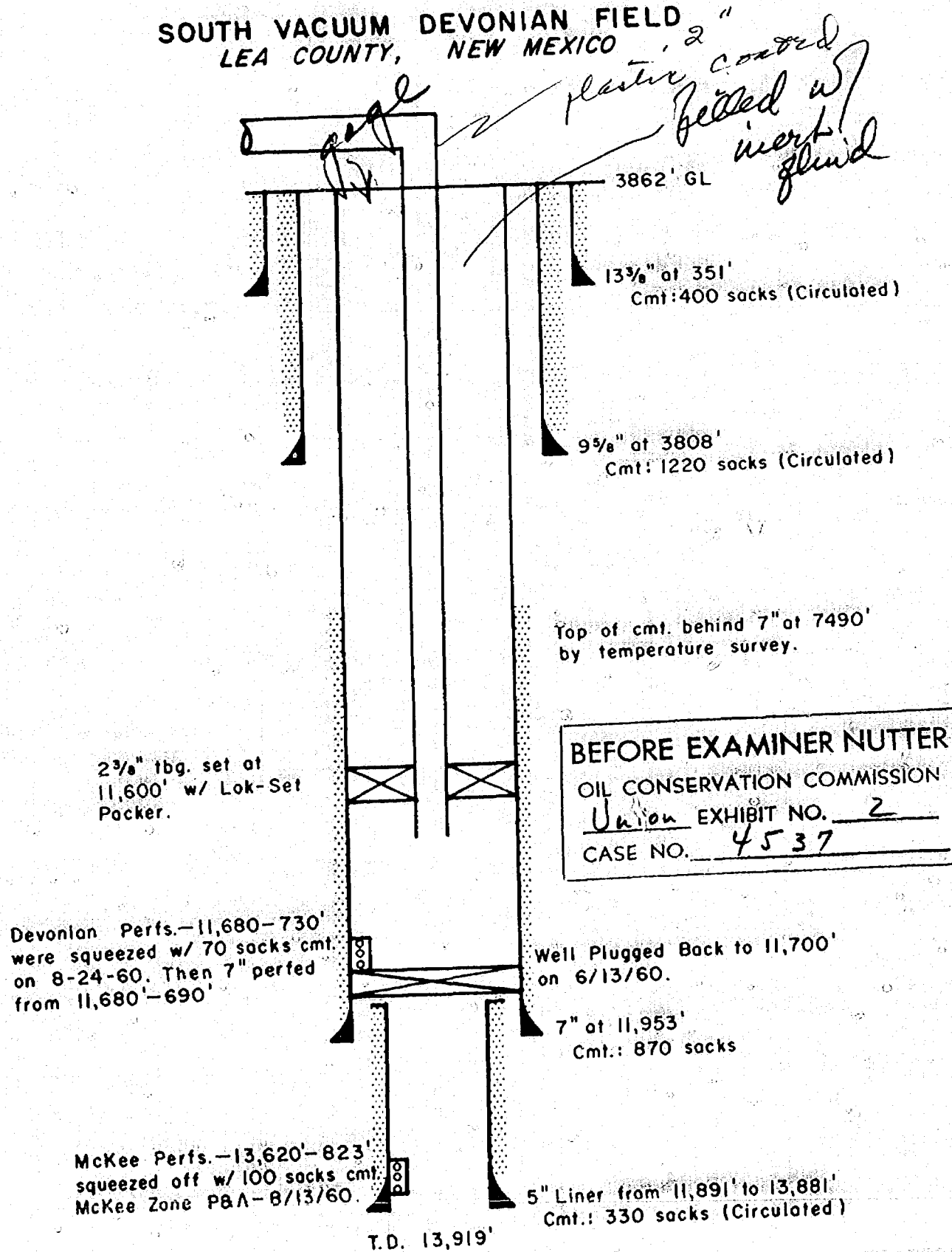




— — — PROPOSED SALTWATER DISPOSAL WELL — — —  
UNION OIL COMPANY OF CALIFORNIA

SOUTH VACUUM UNIT — WELL NO. 2-35  
1980' FSL & 660' FEL, Sec. 35, T-18-S, R-35-E

SOUTH VACUUM DEVONIAN FIELD  
LEA COUNTY, NEW MEXICO



W A I V E R

As an offset operator to the South Vacuum Unit Well No. 2-35,  
South Vacuum Devonian Field, Lea County, New Mexico, the under-  
signed waives objection to the salt water disposal application  
of Union Oil Company of California relative to the above  
mentioned well.

W. R. Mancini  
Company

Richard L. Mendenhall  
By

General Manager  
Title

4-8-71  
Date

LHP:rb.

BEFORE EXAMINER NUTTER  
OIL CONSERVATION COMMISSION  
Union EXHIBIT NO. 3  
CASE NO. 4537

W A I V E R

As an offset operator to the South Vacuum Unit Well No. 2-35, South Vacuum Devonian Field, Lea County, New Mexico, the undersigned waives objection to the salt water disposal application of Union Oil Company of California relative to the above mentioned well.

Atlantic Richfield Company  
Company

W. P. [Signature]  
By

District Engineer  
Title

April 15, 1971  
Date

LHP:rb

BEFORE EXAMINER NUTTER	
OIL CONSERVATION COMMISSION	
<u>Union</u>	EXHIBIT NO. <u>4</u>
CASE NO. <u>4537</u>	

W A I V E R

As an offset operator to the South Vacuum Unit Well No. 2-35, South Vacuum Devonian Field, Lea County, New Mexico, the undersigned waives objection to the salt water disposal application of Union Oil Company of California relative to the above mentioned well.

AZTEC OIL & GAS COMPANY

Company

By *Robert W. Nutter*

Vice President

Title

April 19, 1971

Date

LHP:rb

BEFORE EXAMINER NUTTER  
OIL CONSERVATION COMMISSION  
Union EXHIBIT NO. 5  
CASE NO. 4537

Union Oil and Gas Division: Central Region

Union Oil Company of California  
500 North Maricopa, Midland, Texas 79701  
Telephone (915) 682-9731

**union**

Case 4537

Midland District

April 16, 1971

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

Gentlemen:

Attached you will find Union Oil Company of California's application to dispose of salt water by injection into a porous formation (Form C-108) in their South Vacuum Unit Well No. 2-35, South Vacuum Devonian Field, Lea County, New Mexico. In support of this application, we are also enclosing a plat of the area, electrical log, diagrammatic sketch of the well, and copies of requests for waivers sent to the State Engineer, surface owner, and all operators within a one-half mile radius of the proposed injection well.

Union plans to dispose of salt water produced from the South Vacuum Unit and other leases in the South Vacuum Field into the Devonian formation. The proposed zone of injection is 11,680'-90'. Injection will be through plastic coated tubing and packer.

Your early consideration of this application will be appreciated.

Very truly yours,

UNION OIL COMPANY OF CALIFORNIA



John Tyler  
District Production Superintendent

LHP:rb  
Enclosures

DOCKET MAILED

Date 5/6/71

APR 22 11 51 AM '71

Case 4527

H.R.W.

APR 21 1971

WAIVER

As an offset operator to the South Vacuum Unit Well No. 2-35, South Vacuum Devonian Field, Lea County, New Mexico, the undersigned waives objection to the salt water disposal application of Union Oil Company of California relative to the above mentioned well.

Atlantic Richfield Company  
Company

W.P. Henderson  
By

District Engineer  
Title

April 15, 1971  
Date

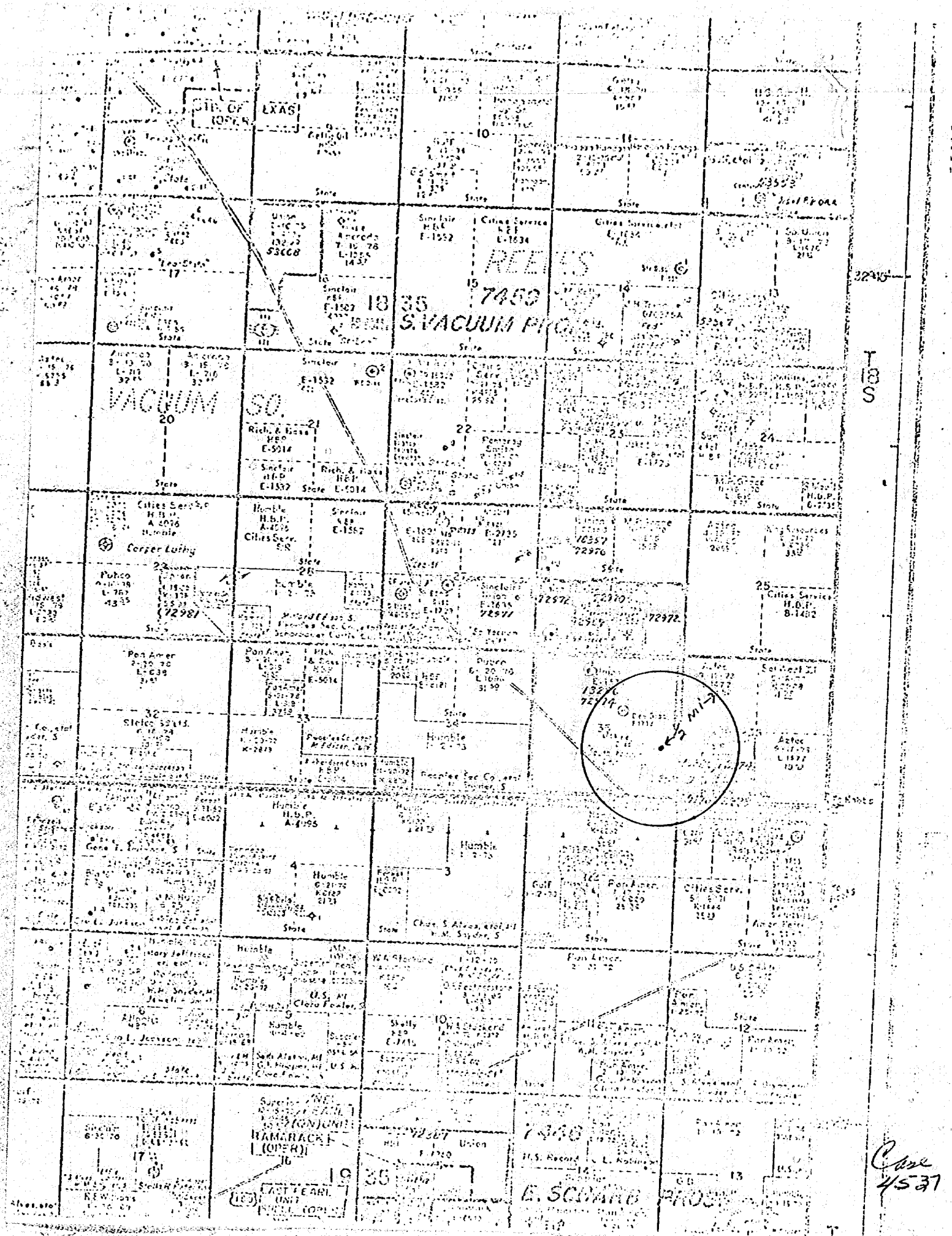
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# NEW MEXICO OIL CONSERVATION COMMISSION APPLICATION TO DISPOSE OF SALT WATER BY INJECTION INTO A POROUS FORMATION

OPERATOR <b>Union Oil Company of California</b>		WELL NO. <b>2-35</b>		ADDRESS <b>P. O. Box 671, Midland, Texas 79701</b>		COUNTY <b>Lea</b>
LEASE NAME <b>South Vacuum Unit</b>		TOWNSHIP <b>18-S</b>		RANGE <b>35-E</b>		FEET FROM THE <b>South</b>
LOCATION <b>East</b>	UNIT LETTER <b>I</b>	LINE <b>35</b>	SECTION <b>35</b>	SACKS CEMENT <b>400</b>		
NAME OF STRING <b>Devonian</b>		SIZE <b>13 3/8"</b>	SETTING DEPTH <b>351'</b>	TOP OF CEMENT <b>Circulated</b>		TOP DETERMINED BY <b>Observation</b>
SURFACE CASING		SIZE <b>9 5/8"</b>	SETTING DEPTH <b>11,953'</b>	Circulated		Observation
INTERMEDIATE		SIZE <b>7"</b>	SETTING DEPTH <b>13,881'</b>	Circulated		Observation
LONG STRING		SIZE <b>5"</b>	SETTING DEPTH <b>11,600'</b>	Circulated		Observation
TUBING		SIZE <b>2 3/8"</b>	SETTING DEPTH <b>11,600'</b>	NAME, MODEL AND DEPTH OF TUBING PACKER <b>Baker Lok Set 11,600'</b>		BOTTOM OF FORMATION <b>11,700'</b>
NAME OF PROPOSED INJECTION FORMATION <b>Devonian</b>		PERFORATIONS OR OPEN HOLES <b>Perforations</b>		PROPOSED INTERVAL(S) OF INJECTION <b>11,680' to 11,690'</b>		HAS WELL EVER BEEN PERFORATED IN ANY ZONE OTHER THAN THE PROPOSED INJECTION ZONE? <b>Yes</b>
IS INJECTION THROUGH TUBING, CASING, OR ANNULUS? <b>Tubing</b>		IF ANSWER IS NO, FOR WHAT PURPOSE WAS WELL ORIGINALLY DRILLED? <b>Dually completed in Devonian and McKee</b>		DEPTH OF TOP OF NEXT LOWER OIL OR GAS ZONE IN THIS AREA <b>None in area</b>		APPROX. PRESSURE (PSI) <b>2200 psi</b>
IS THIS A NEW WELL DRILLED FOR DISPOSAL? <b>No</b>		LIST ALL SUCH PERFORATED INTERVALS AND SACKS OF CEMENT USED TO SEAL OFF OR SQUEEZE EACH <b>13,620' to 13,823' with 100 sacks cement. Plugged to 11,700' on 8/13/60</b>		DEPTH OF BOTTOM OF NEXT HIGHER OIL OR GAS ZONE IN THIS AREA <b>8700' Bone Spring</b>		IS INJECTION TO BE BY GRAVITY OR PRESSURE? <b>Pressure</b>
ANTICIPATED DAILY INJECTION VOLUME (BBL'S) <b>3000</b>		MINIMUM <b>2000</b>		MAXIMUM <b>3500</b>		ARE WATER ANALYSES ATTACHED? <b>No</b>
ANSWER YES OR NO WHETHER THE FOLLOWING WATERS ARE MINERALIZED TO SUCH A DEGREE AS TO BE UNFIT FOR DOMESTIC, STOCK, IRRIGATION, OR OTHER GENERAL USE <b>Yes</b>		OPEN OR CLOSED TYPE SYSTEM <b>Closed</b>		WATER TO BE DISPOSED OF <b>Yes</b>		NATURAL WATER IN DISPOSAL ZONE <b>Yes</b>
NAME AND ADDRESS OF SURFACE OWNER (OR LESSEE, IF STATE OR FEDERAL LAND) <b>Larry Squires, 1826 North Vega Drive, Hobbs, New Mexico</b>						
LIST NAMES AND ADDRESSES OF ALL OPERATORS WITHIN ONE-HALF (1/2) MILE OF THIS INJECTION WELL <b>Aztec Oil &amp; Gas Co., P. O. Box 847, Hobbs, New Mexico 79701</b>						
<b>W. A. Moncrief, 817 Midland Tower, Midland, Texas 79701</b>						
<b>Atlantic Richfield Company, P. O. Box 1978, Roswell, New Mexico</b>						
HAVE COPIES OF THIS APPLICATION BEEN SENT TO EACH OF THE FOLLOWING? <b>Yes</b>				EACH OPERATOR WITHIN ONE-HALF MILE OF THIS WELL <b>Yes</b>		THE NEW MEXICO STATE ENGINEER <b>Yes</b>
ARE THE FOLLOWING ITEMS ATTACHED TO THIS APPLICATION (SEE RULE 701-B)? <b>Yes</b>				ELECTRICAL LOG <b>Yes</b>		DIAGRAMMATIC SKETCH OF WELL <b>Yes</b>
I hereby certify that the information above is true and complete to the best of my knowledge and belief.				District Operations Manager (Title)		(Date) <b>April 6, 1971</b>
NOTE: Should waivers from the State Engineer, the surface owner, and all operators within one-half mile of the proposed injection well, not accompany this application, the New Mexico Oil Conservation Commission will hold the application for a period of 15 days from the date of receipt by the Commission's Santa Fe office. If at the end of the 15-day waiting period no protest has been received by the Santa Fe office, the application will be processed. If a protest is received, the application will be set for hearing, if the applicant so requests. SEE RULE 701.						

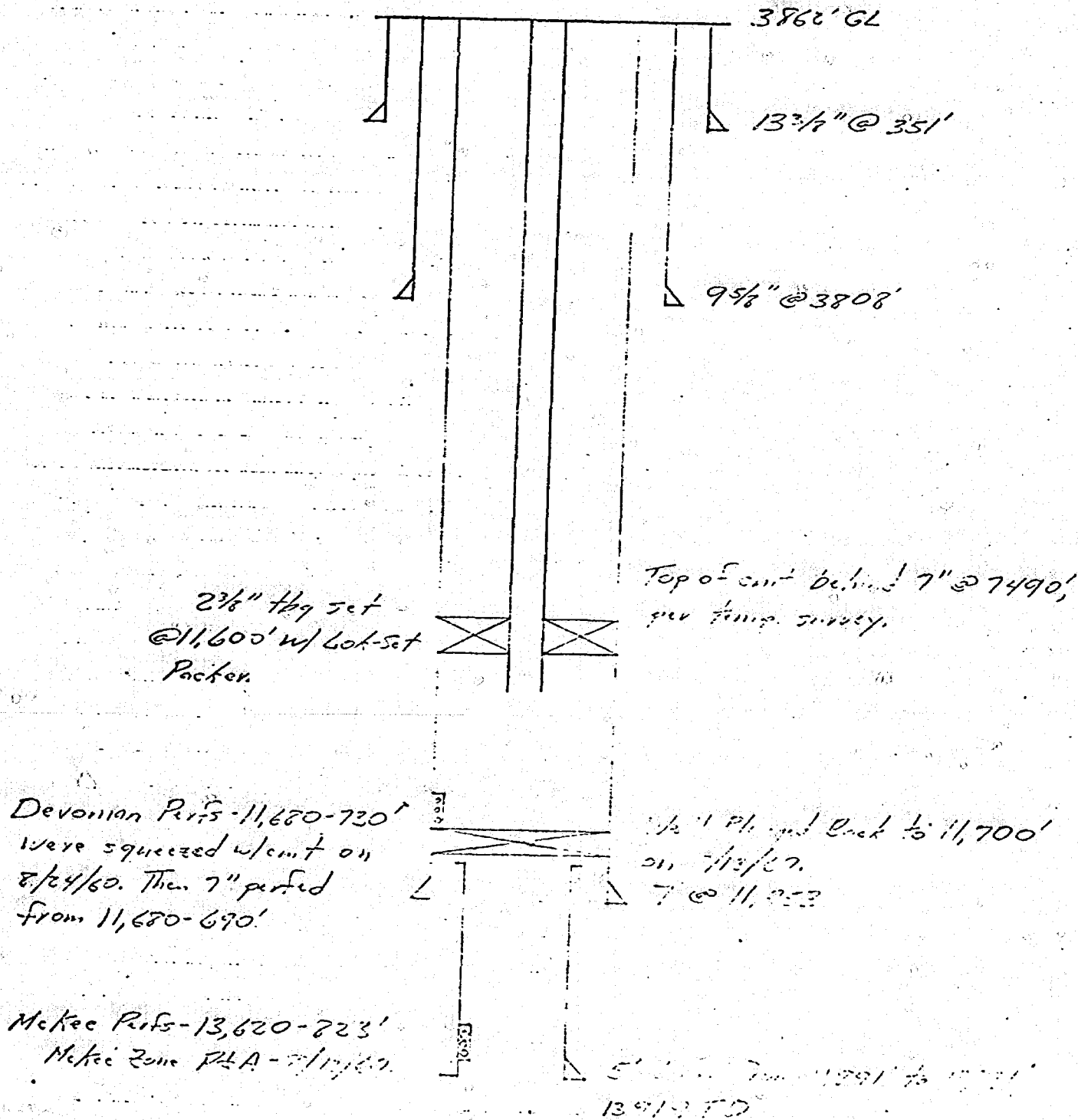




REH

3 10 71 1 1

Proposed Conversion of So. Vac. Unit Well 2-35 to JWD



Case 4537

Union Oil and Gas Division: Central Region

Union Oil Company of California  
500 North Marlenfeld, Midland, Texas 79701  
Telephone (915) 682-9731



Midland District

April 6, 1971

Offset Operators  
(Mailing List Attached)

Gentlemen:


Application to Convert South Vacuum  
Unit Well No. 2-35 to SWD Service,  
South Vacuum Devonian Field, Lea  
County, New Mexico.

Union Oil Company of California is making application to the New Mexico Oil Conservation Commission to dispose of salt water by injection into a porous formation through the above listed well. It is proposed to inject salt water produced from the South Vacuum Unit and other leases in the South Vacuum Field into the Devonian formation. Injection will be through plastic coated tubing and packer.

If you have no objection to this application, please execute two copies of the attached waiver and return both to our Midland office at your earliest convenience.

Very truly yours,

UNION OIL COMPANY OF CALIFORNIA

  
G. W. Coombes  
District Operations Manager

LHP:rb  
Attachments

Case 4537

WAIVER

As an offset operator to the South Vacuum Unit Well No. 2-35, South Vacuum Devonian Field, Lea County, New Mexico, the undersigned waives objection to the salt water disposal application of Union Oil Company of California relative to the above mentioned well.

\_\_\_\_\_  
Company

\_\_\_\_\_  
By

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

LHP:rb

*Page 4537*

OFFSET OPERATORS  
SOUTH VACUUM UNIT

Aztec Oil & Gas Company  
P. O. Box 847  
Hobbs, New Mexico 88240

W. A. Moncrief  
817 Midland Tower  
Midland, Texas 79701

Atlantic Richfield Company  
P. O. Box 1978  
Roswell, New Mexico

Leroy Squires  
1826 N. Vega Drive  
Hobbs, New Mexico 88240

New Mexico State Engineer  
Capitol Building  
Santa Fe, New Mexico

Case 4537

H. R. W.

APR 12 1971

W A I V E R

As an offset operator to the South Vacuum Unit Well No. 2-35, South Vacuum Devonian Field, Lea County, New Mexico, the undersigned waives objection to the salt water disposal application of Union Oil Company of California relative to the above mentioned well.

W. A. Mancini  
Company

Richard C. Mendenhall  
By

General Manager  
Title

4-8-71  
Date

LHP:rb

Case 4537

DRAFT

GMH/dr

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
COMMISSION OF NEW MEXICO FOR  
THE PURPOSE OF CONSIDERING:

APPLICATION OF UNION OIL COMPANY  
OF CALIFORNIA FOR SALT WATER  
DISPOSAL, LEA COUNTY, NEW MEXICO.

CASE No. 4537

Order No. R- 4147

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on May 19, 19 71,  
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this        day of May, 19 71, the Commission, a  
quorum being present, having considered the testimony; the record,  
and the recommendations of the Examiner, and being fully advised  
in the premises,

FINDS:

(1) That due public notice having been given as required by  
law, the Commission has jurisdiction of this cause and the subject  
matter thereof.

(2) That the applicant, Union Oil Company of California,  
seeks authority to utilize its South Vacuum Unit Well No. 2-35,  
located in Unit I of Section 35, Township 18 South, Range 35 East,  
NMPM, South Vacuum-Devonian Pool, Lea County, New Mexico, to  
dispose of produced salt water into the Devonian formation in  
the perforated interval from 11,680 feet to 11,690 feet.



-2-

CASE No. 4537

Order No. R-

(3) That the injection should be accomplished through 2 3/8-inch plastic-lined tubing installed in a packer set at approximately 11,600 feet; that the casing-tubing annulus should be filled with an inert fluid; and that a pressure gauge should be attached to the annulus at the surface in order to determine leakage in the casing, tubing, or packer. ✓

(4) That approval of the subject application will prevent the drilling of unnecessary wells and otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Union Oil Company of California, is hereby authorized to utilize its South Vacuum Unit Well No. 2-35, located in Unit I of Section 35, Township 18 South, Range 35 East, NMPM, South Vacuum-Devonian Pool, Lea County, New Mexico, to dispose of produced salt water into the Devonian formation, injection to be accomplished through 2 3/8-inch tubing installed in a packer set at approximately 11,600 feet, with injection into the ~~open hole~~ <sup>perforated</sup> interval from approximately 11,680 feet to 11,690 feet.

PROVIDED HOWEVER, that the tubing shall be plastic-lined; that the casing-tubing annulus shall be filled with an inert fluid; and that a pressure gauge shall be attached to the annulus at the surface in order to determine leakage in the casing, tubing, or packer.

(2) That the applicant shall submit monthly reports of its disposal operations in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.

(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.