

címa **CAPITAN** incorporated

(N.S.L.)

ARTESIA, NEW MEXICO

August 8, 1966

312 BOOKER BUILDING
POST OFFICE DRAWER 1343

AREA CODE 505
TELEPHONE 748-1125

RECEIVED
OCT 10 1966

VIX-237

1 Aug 25

Oil Conservation Commission
Box 2088
Santa Fe, New Mexico

Attention: Mr. Dan S. Nutter, Chief Engineer

Dear Mr. Nutter

Pursuant to Rule 701-E-5, please consider this letter as our application for one additional water injection well, and for administrative approval of said well, in our Red Lake waterflood project. The original flood was authorized under Order No. R-2461, Case No. 2775 on March 20, 1963. We respectfully hereby apply for administrative approval for the conversion of our Well No. 8, SE/4 NW/4 SW/4 Section 22, T 17S, R 28E, Eddy County, from a producing oil well to a water injection well. The well is shown on the attached plat.

This flood has performed satisfactorily; however it is our opinion that by converting this well and therefore increasing our effective injection rate, we will recover more secondary oil.

I am attaching form C-116 showing production tests on this well and also for well No. 1, a direct offset. Both wells have responded to flood.

I am enclosing a schematic drawing which shows the casing and cementing program on Well No 8. Total depth is 1951 feet. 8 5/8" Casing was set at 495 feet as the surface string. 7" Casing was run and cemented at 1380 feet. A 4 1/2" liner is set at 1871 feet and cemented to 1020 feet. Our plan is to inject below a packer set near the bottom of the 4 1/2" liner on 2" plastic-coated tubing. This will give an ideal injection well completion and will adequately and properly confine the injected water to the Grayburg productive interval.

The injection rate will be on the order of 150 barrels per day and the injection pressure is estimated to be 1200 to 1300 psi.

I am sending a copy of this application to Mr. Frank Irby, State Engineer's Office, and to our offset operator, Red Lake Oil Company.

Please advise if additional information is required.

Very truly yours,

CIMA CAPITAN, INC.



Hal C. Porter

HCP/b

NEW MEXICO OIL CONSERVATION COMMISSION
GAS-OIL RATIO TESTS

C-116
Revised 1-1-65

Operator		Pool		County											
CIMA CARTAN, INC.		BED LAKE		Eddy											
Address		TYPE OF TEST - (X)		Scheduled <input type="checkbox"/>		Completion <input type="checkbox"/>		Special <input checked="" type="checkbox"/>							
LEASE NAME	WELL NO.	LOCATION				DATE OF TEST	CHOKE SIZE	TBG. PRESS.	DAILY ALLOW. ABLE	LENGTH OF TEST HOURS	PROD. DURING TEST			GAS - OIL RATIO CU.FT./BBL.	
		U	S	T	R						WATER BBL.S.	GRAV. OIL	OIL BBL.S.		GAS M.C.F.
STATE 636	8	L	22	17	28	JUL 63				24	0	35	1	- 0 -	
						APR 64				24	5	35	2	- 0 -	
						DEC 64				24	10	35	3	- 0 -	
						MAY 66				24	11	35	11	- 0 -	
STATE 81969	1	K	22	17	28	JUL 63				24	1.5	35	4.5	- 0 -	
						APR 64				24	1.0	35	8.9	- 0 -	
						DEC 64				24	16.0	35	24.8	- 0 -	
						MAY 64				24	70	35	10.0	- 0 -	

For The Purpose of SHOWING WATER FLOOD RESPONSE.

No well will be assigned an allowable greater than the amount of oil produced on the official test.

During gas-oil ratio test, each well shall be produced at a rate not exceeding the top unit allowable for the pool in which well is located by more than 25 percent. Operator is encouraged to take advantage of this 25 percent tolerance in order that well can be assigned increased allowables when authorized by the Commission.

Gas volumes must be reported in MCF measured at a pressure base of 15.025 psia and a temperature of 60° F. Specific gravity base will be 0.60.

Report casing pressure in lieu of tubing pressure for any well producing through casing.

Mail original and one copy of this report to the district office of the New Mexico Oil Conservation Commission in accordance with Rule 301 and appropriate pool rules.

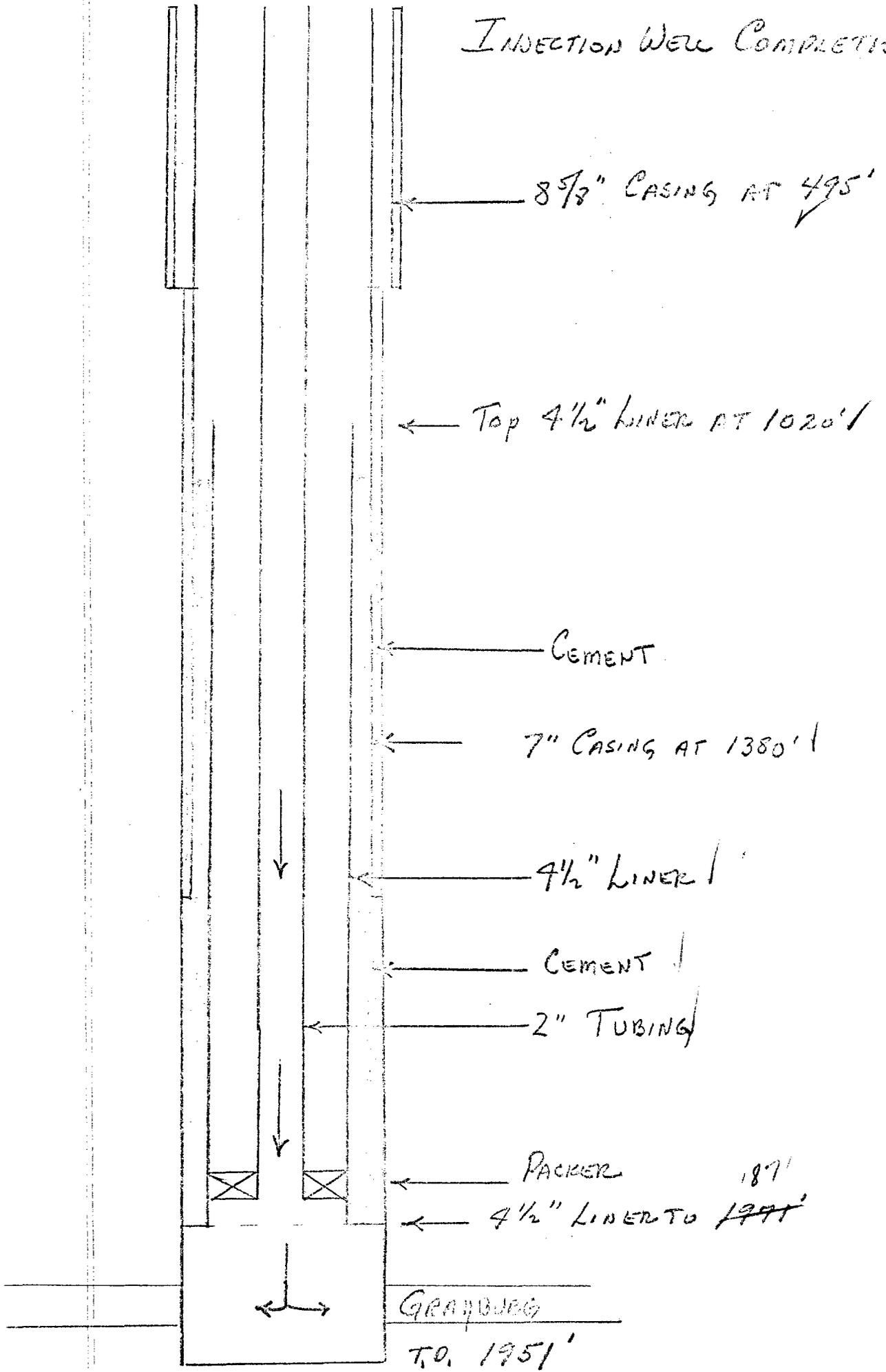
I hereby certify that the above information is true and complete to the best of my knowledge and belief.

[Signature]
(Signature)

[Signature]
(Title)
8 Aug 66
(Date)

CIMA CAPITAL, INC. RED LAKE WELL No. 8

INJECTION WELL COMPLETION



cima **CAPITAN** incorporated

(N.S.L.)

312 BOOKER BUILDING
POST OFFICE DRAWER 1343

ARTESIA, NEW MEXICO

August 18, 1966

AREA CODE 505
TELEPHONE 748-1125

MAIN OFFICE

'66 AUG 19 PM 1 15

Mr. Frank Irby, Chief
Water Rights Division
State Engineers Office
Santa Fe, New Mexico

Dear Mr. Irby:

Thank you for your telephone call today. I would like to correct the schematic drawing of the proposed injection well completion on our Red Lake Well No. 8 which I sent to you and to Mr. Nutter on August 8, 1966, along with a request for administrative approval for conversion of this well to injection.

The 4½" liner is set at 1871 feet rather than 1971 feet as shown on the drawing. Would you please correct this on your copy?

The 8 5/8" surface casing is set at 495 feet and is not cemented, but was mudded. The 7" casing is cemented with 50 sacks in 8" hole. Top of the cement is calculated to be at 705 feet. The 4½" liner was cemented with 75 sacks Incor Class C cement. Top of the cement is calculated to be at 1071 feet outside the 4½" liner.

If there is any further information you may require, please call me.

Very truly yours,

CIMA CAPITAN, INC.



Hal C. Porter

HCP: b
cc: Mr. Nutter



STATE OF NEW MEXICO

STATE ENGINEER OFFICE

SANTA FE

S. E. REYNOLDS
STATE ENGINEER

August 19, 1966

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:

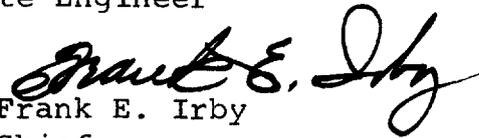
Reference is made to the application of Cima Capitan, Inc., submitted on August 8, 1966 which seeks administrative approval for the conversion of their well No. 8 to water injection. Reference is also made to Cima Capitan's letter under date of August 18, 1966 which submits supplemental information on the subject well. AUG 22 1966

From the information contained in the application and the attachments thereto and the information contained in the August 18th letter, it appears that no threat of contamination to fresh waters which may exist in the area will occur. Therefore, this office offers no objection to the granting of the application.

FEI/ma
cc-Cima Capitan
F. H. Hennighausen

Yours truly,

S. E. Reynolds
State Engineer

By: 
Frank E. Irby
Chief
Water Rights Div.

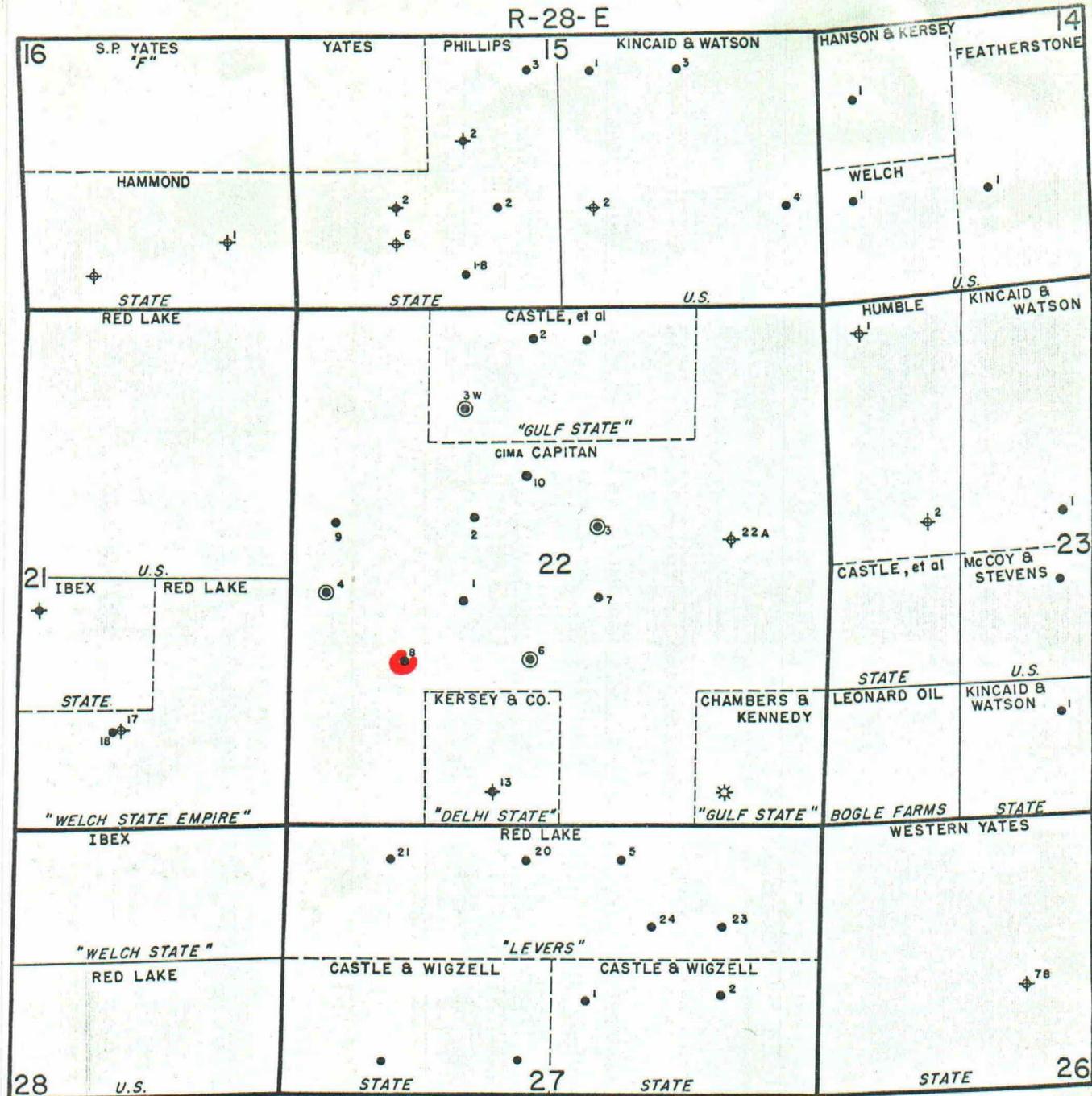
1. The first part of the document discusses the importance of maintaining accurate records of all transactions. It emphasizes that this is crucial for ensuring the integrity of the financial statements and for providing a clear audit trail. The text also mentions that proper record-keeping is essential for identifying and correcting errors in a timely manner.

2. The second part of the document focuses on the role of internal controls in preventing fraud and misstatements. It highlights that a strong internal control system is necessary to ensure that all transactions are properly authorized and recorded. The text also notes that internal controls should be designed to provide reasonable assurance of the reliability of the financial reporting process.

3. The third part of the document discusses the importance of transparency and disclosure in financial reporting. It states that companies should provide clear and concise information about their financial performance and position. The text also mentions that transparency is essential for building trust with investors and other stakeholders. Additionally, it notes that companies should disclose any significant risks and uncertainties that could affect their financial results.

4. The fourth part of the document discusses the role of the auditor in providing an independent opinion on the financial statements. It emphasizes that the auditor's primary responsibility is to provide an objective and unbiased assessment of the financial information. The text also notes that the auditor should communicate clearly and effectively with the management and the board of directors. Finally, it mentions that the auditor should maintain a high level of professional skepticism and integrity throughout the audit process.

R-28-E



LEGEND:

- PRODUCER
- ⊙ INJECTOR
- ⊕ PULLED & PLUGGED
- ⊕ DRY
- PROPOSED
- ⊙ PROPOSED INJECTOR

CIMA CAPITAN INCORPORATION

RED LAKE PROJECT
SEC.22 T17S R28E

SCALE 0 500' 1000' 1500'

CONTOUR INTERVAL

DATE

DRAWN BY