

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

March 23, 1966

C
O
P
Y

Mr. Clarence Hinkle
Hinkle, Bondurant & Christy
Attorneys at Law
Post Office Box 10
Roswell, New Mexico

Dear Clarence:

I have checked the application you mentioned in your letter of March 22nd and find that it is in pending file. The application was received on March 9th and since there is a 20-day waiting period, the order cannot be issued until March 29th. Mr. Kapteina, the engineer who handles these applications, advises me that if no objections are received by the 29th the order will be issued.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

ALP/ir

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

March 23, 1968

Mr. Clarence Hinkle
Hinkle, Soudant & Christy
Attorneys at Law
Post Office Box 10
Rowell, New Mexico

Dear Clarence:

I have checked the application you mentioned in your letter of March 22nd and find that it is in pending file. The application was received on March 9th and since there is a 30-day waiting period, the order cannot be issued until March 29th. Mr. Kapteina, the engineer who handles these applications, advises me that if no objections are received by the 29th the order will be issued.

Very truly yours,

A. L. PORTER, JR.
Secretary-Director

ALP/ir

APPLICATION OF THE ATLANTIC
REFINING COMPANY TO EXPAND
ITS MANY ROCKS-GALLUP PRESSURE
MAINTENANCE PROJECT NO. 2 IN
THE MANY ROCKS-GALLUP OIL POOL
IN SAN JUAN COUNTY, NEW MEXICO.

ORDER PMX NO. 19

ADMINISTRATIVE ORDER
OF THE OIL CONSERVATION COMMISSION

Under the provisions of Order No. R-2622, The Atlantic Refining Company has made application to the Commission on March 7, 1966, for permission to expand its Many Rocks-Gallup Pressure Maintenance Project in the Many Rocks-Gallup Oil Pool, San Juan County, New Mexico.

NOW, on this 17th day of March, 1966, the Secretary-Director finds:

1. That application has been filed in due form.
2. That satisfactory information has been provided that all offset operators have been duly notified of the application.
3. That waivers of objection have been received from offsetting operators and the waiting period as prescribed by Order No. R-2622 may be dispensed with at this time.
4. That the proposed injection well is eligible for conversion to water injection under the terms of Order No. R-2622.
5. That the proposed expansion of the above-referenced pressure maintenance project will not cause waste nor impair correlative rights.
6. That the application should be approved.

IT IS THEREFORE ORDERED:

That the applicant, The Atlantic Refining Company, be and the same is hereby authorized to inject water into the Gallup formation through the following described well for purposes of pressure maintenance, to wit:

Well No. 26 located in the SE/4 SE/4 of Section 17,
Township 31 North, Range 16 West, NMPM.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


A. L. PORTER, Jr.,
Secretary-Director

SEAL



THE ATLANTIC REFINING COMPANY
 INCORPORATED - 1870
PETROLEUM PRODUCTS

MAIN OFFICE OCC

March 4, 1966

MAR 7 AM 8:16

NORTH AMERICAN PRODUCING DEPARTMENT
 NEW MEXICO - ARIZONA DISTRICT

- S. L. SMITH, DISTRICT MANAGER
- JACK BIARD, DISTRICT LANDMAN
- E. R. DOUGLAS, DISTRICT GEOLOGIST
- A. D. KLOXIN, DISTRICT DRG. & PROD. SUP'T.
- M. D. ROBERTS, DISTRICT GEOPHYSICIST
- W. P. TOMLINSON, DISTRICT ENGINEER
- B. R. WARE, DISTRICT ADMINISTRATIVE SUP'V.

SECURITY NATIONAL BANK BLDG.

MAILING ADDRESS
 P. O. BOX 1978
 ROSWELL, NEW MEXICO

PMK-19

New Mexico Oil Conservation Commission (4)
 P. O. Box 871
 Santa Fe, New Mexico

*Well No. 26 is now
 being operated from
 and...*

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

Re: Many Rocks Pressure
 Maintenance Project No. 2
 San Juan County, New Mexico

Gentlemen:

In accordance with Rule 11 of Case No. 2948, Order No. R-2622, concerning the Many Rocks-Gallup Pressure Maintenance Project No. 2 in San Juan County, New Mexico, The Atlantic Refining Company requests approval to convert the following well to injection.

Well No.	Former Operator	Former Well No.	Location	Present Status	Proposed Status
26	Atlantic	17-5	660 FSL & 660 FEL Sec. 17, T-31-N R-16-W	Producer	Injector for upper and lower zones.

As injection wells were drilled to serve the Many Rocks Project it became evident that the reservoir was not as wide as had been previously thought. This is evidenced by the No. 25 dry hole located in the SW/4 of the SE/4 of Section 17. Previous plans were to inject into Well No. 25 and to drill an additional injector one location due north of Well No. 26. With the drilling of Well No. 25 further development of the injection pattern in the south part of the project was discontinued pending further evaluation.

After one and one-half years of injection experience we now believe it beneficial to the project to convert Well No. 26 to injection to complete the injection pattern in the south part of the Project Area. The reservoir thins rapidly toward the south and Well No. 26 is believed to be essential for water injection in this area.

Well No. 26 is presently producing about 5 BOPD.

Texaco is the only offset operator to Well No. 26 besides Atlantic. A copy of this application has been sent to Texaco with a request to send you their waiver of objection to this proposal.

A well log and a schematic sketch of Well No. 26 is attached. As shown, it is planned to inject into both the upper and lower zones separated by a packer. The anticipated rate per zone is 200 to 400 BWPD at surface pressures in the range of 600 to 800 psig.

Also attached is a plat showing the location of this well, all the wells in the Project and offset operators and wells.

We would appreciate approval of the conversion at your earliest convenience. If you need additional information, please let us know.

Yours very truly,



W. P. Tomlinson, Chairman
Many Rocks-Gallup Operator's
Committee

WPT:jcb

Attachments

cc: State Engineer
P. O. Box 1079
Santa Fe, New Mexico

Texaco, Inc.
P. O. Box 2100
Denver, Colorado

United States Geological Survey
P. O. Drawer 1857
Roswell, New Mexico



THE ATLANTIC REFINING COMPANY
INCORPORATED - 1870
PETROLEUM PRODUCTS

March 4, 1966

MAIN OFFICE OCC

NORTH AMERICAN PRODUCING DEPARTMENT
NEW MEXICO - ARIZONA DISTRICT

S. L. SMITH, DISTRICT MANAGER
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MAR 7

AM 8:16

SECURITY NATIONAL BANK BLDG.

MAILING ADDRESS
P. O. BOX 1978
ROS WELL, NEW MEXICO

State of New Mexico
State Engineer's Office
State Capitol
Santa Fe, New Mexico 87501

Attention: Mr. Frank E. Irby, Chief Water Rights Division

Gentlemen:

The Atlantic Refining Company is requesting permission to convert Well No. 26 in the Many Rocks Pressure Maintenance Project No. 2, San Juan County, New Mexico from producing to injection status. A copy of our application to the New Mexico Oil Conservation Commission is attached.

Below is information that might be useful to you in reviewing the application and making your determination to the New Mexico Oil Conservation Commission.

As shown on the application, it is planned to inject water down tubing below a packer into the lower zone and down the tubing casing annulus into the upper zone. This is the practice in all dual wells in the project.

1. The production casing in No. 26 was installed on July 29, 1963, and was new when installed.
2. The interval above the upper zone in Well No. 26 is primarily shale. If a casing leak should occur, it would be detected by a leak at the braden head. Once a leak is detected, it would be repaired by means of cementing or in an extreme case, running a liner inside the production casing. We feel that a casing leak is improbable as all injected water is inhibited for corrosion.
3. The project is expected to be in operation until approximately 1975.



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We hope this information will be helpful in substantiating your waiver of objection to this proposal. Please send us a copy of your determination to the New Mexico Oil Conservation Commission. If you need additional information, please let us know.

Yours very truly,



W. F. Tomlinson

WFI:jeb

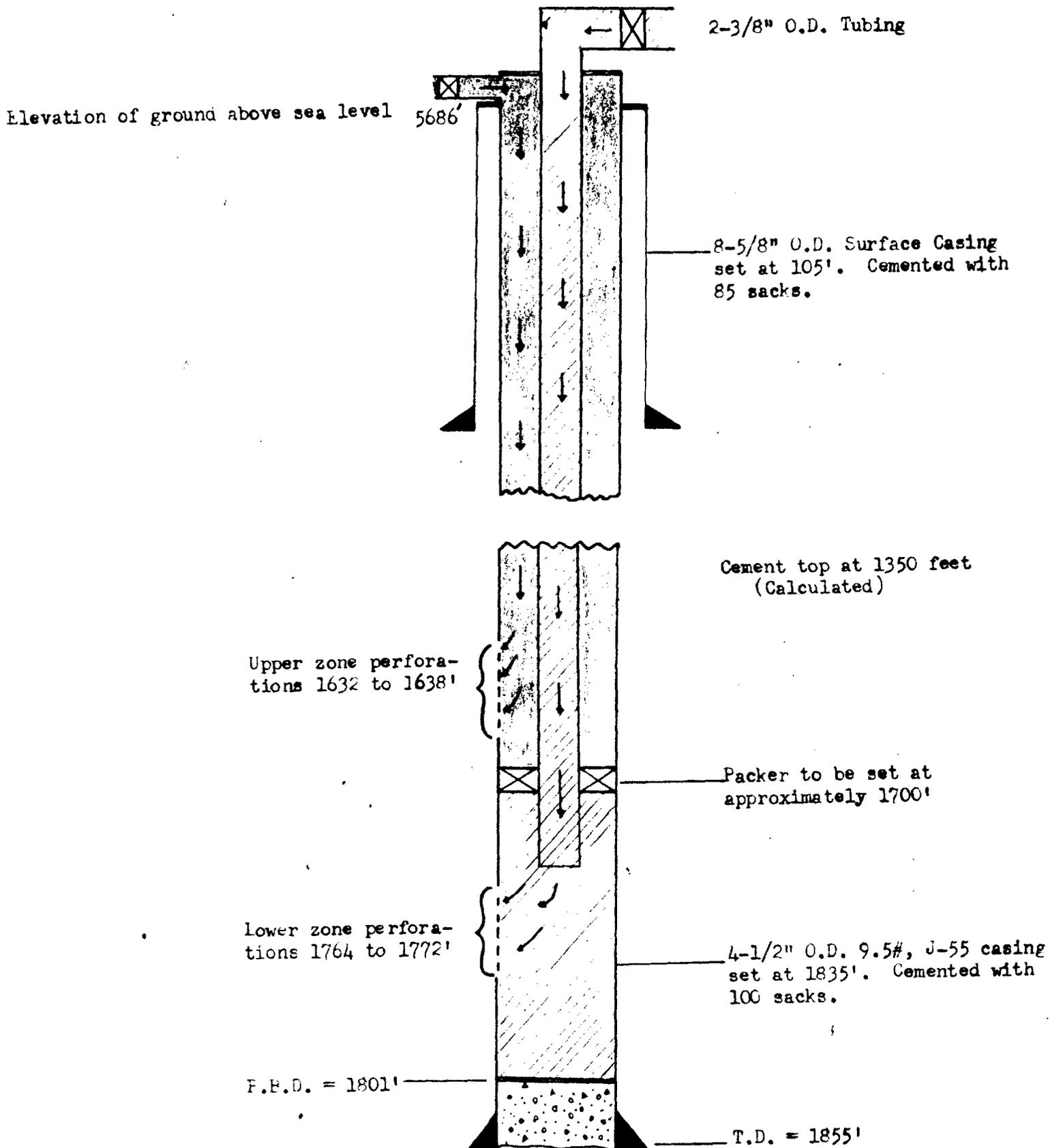
Attachment

cc: New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

The following table shows the results of the analysis of variance for the effect of the treatment on the response variable. The results are presented in the form of a table with the following columns: Source of Variation, Sum of Squares, Degrees of Freedom, Mean Square, and F-value. The results are as follows:

Source of Variation	Sum of Squares	Degrees of Freedom	Mean Square	F-value
Treatment	10.00	1	10.00	10.00
Error	10.00	10	1.00	
Total	20.00	11		

The results of the analysis of variance show that the treatment has a significant effect on the response variable. The F-value for the treatment is 10.00, which is greater than the critical value of 5.99. Therefore, we reject the null hypothesis and conclude that there is a significant difference between the treatment and the control group.



THE ATLANTIC REFINING COMPANY
 Schematic Drawing
 EXHIBIT NO. 1
 Many Rocks-Gallup Project Well No. 26
 San Juan County, New Mexico

LARGE FORMAT
EXHIBIT HAS
BEEN REMOVED
AND IS LOCATED
IN THE NEXT FILE