



100-107-1000  
SHELL OIL COMPANY

*SWD # 1  
Jul 701 6*

P. O. Box 845  
Roswell, New Mexico

October 7, 1958

Subject: Salt Water Disposal, Caudill Field,  
Lea County, New Mexico

Mr. A. J. Porter, Jr.  
Secretary-Director  
New Mexico Oil Conservation Commission  
P. O. Box 871  
Santa Fe, New Mexico

Dear Mr. Porter:

We are hereby making formal application for administrative approval to dispose of produced salt water in the Daugherty et al No. 1 well, a wildcat dry hole. This well is located in Section 32, T-15-S, R-36-E, N.M.P.M. Survey and is approximately 2 1/4 miles south of the Caudill Field.

We have attached an electric log of this well and a copy of the lease agreement executed by the surface owner of the land on which this well is located. We are notifying the State Engineer's Office, and the offset operators of this formal application by copy of this letter.

Very truly yours,

P. A. Dennie  
Division Production Manager

Attachments

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

cc: Humble Oil & Refining Co.  
P. O. Box 2347  
Hobbs, New Mexico

cc: Gulf Oil Company  
P. O. Box 2167  
Hobbs, New Mexico

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

APPLICATION  
TO DISPOSE OF SALT WATER BY INJECTION INTO A POROUS FORMATION  
NOT PRODUCTIVE OF OIL OR GAS

POOL Name Caudill County Lea  
Operator Shell Oil Company  
Address Box 845, Roswell, New Mexico  
Lease Name Daugherty et al Well No. 1  
Depth to top of injection zone 14,200'  
Depth to base of injection zone 14,433'  
Size of surface casing 13 3/8"  
Length of surface casing 367'  
Number of sacks of cement used on surface casing 375 sacks  
Size of long string 6 5/8"  
Length of long string 14,200'  
Number of sacks of cement used on long string 200 sacks  
Size of tubing 4 1/2" OD Length of tubing 14,200'  
Depth of tubing packer setting 14,175'  
Name and model of packer Baker Model A  
Is injection through tubing or long string or annulus? Tubing  
Is injection through perforations or open hole? Open Hole  
Was the well drilled for salt water disposal purposes? No  
List perforated intervals and number of sacks of cement used on any squeeze cementing operations None  
What is depth of the shallowest zone productive of oil or gas in this Pool Wolfcamp 10,300' (In the Caudill Field)  
What is depth of the deepest zone containing fresh water in this Pool? 300'  
Are there any other salt water disposal wells in this Pool using this same zone for injection purposes? No If so, list operator, lease and well number  
  
  
What is the approximate volume of salt water to be injected daily? 8,000 bbls.  
Will system be open or closed type? closed  
Will injection be by gravity or pump pressure? gravity  
If by pump pressure, give approximate number of pounds per square inch -  
Will it be necessary for water to be filtered or chemically treated? No  
Is this well so cased and completed that water can enter no other formation than the above setout injection zone? Yes

1. Attach a complete full-scale electrical log of this well (one Copy to OCC only).
2. List names and addresses of all offset operators and surface owners.

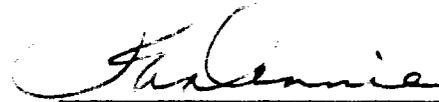
Humble Oil & Refining Company; Hobbs, New Mexico

Gulf Oil Company; Hobbs, New Mexico

Hobby Gann; Lovington, New Mexico

3. Have notices of this application been sent by registered mail or given to all offset operators, surface owners and to the N. M. State Engineer? Yes
4. Attach waivers from all offset operators.
- \*5. Attach waivers from surface owners of land on which well is located or a letter from company making application to the surface owner explaining said application and requesting waiver.
6. No application will be processed until Item 1 has been attached to the application. Should all necessary waivers not accompany application, the Commission shall hold such application for a period of fifteen (15) days from date of receipt in the Santa Fe Office. If, after said fifteen (15) day period, no protest or request for hearing is received in the Santa Fe Office, the application will then be processed.

SHELL OIL COMPANY  
Operator



By P. A. Dennie  
Division Manager

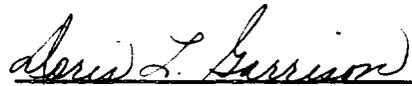
THE STATE OF New Mexico

COUNTY OF Chaves

BEFORE ME, The undersigned authority, on this day personally appeared P. A. Dennie known to me to be the person whose name is subscribed to the above instrument, who being by me duly sworn on oath states that he is duly authorized to make the above report and that he has knowledge of the facts stated therein and that said report is true and correct.



SUBSCRIBED AND SWORN TO before me, this the 13th day of October 19 58.



Notary Public in and for Chaves  
County, New Mexico

MY COMMISSION EXPIRES FEBRUARY 7, 1961

JEL:MS  
9/12/58  
D-234-88

19CC-831

LEASE AND EASEMENT

This Agreement, made and entered into this 16th day of September, 1958, by and between Hoby Gann and wife, Irma Gann, hereinafter referred to as "LESSORS", and Shell Oil Company, a corporation, hereinafter referred to as "SHELL";

W I T N E S S E T H, That:

WHEREAS, LESSORS are the owners of the surface of and all surface rights in and to the following described land, to-wit:

North-half (N/2) of Section 32, Township 15 South,  
Range 36 East, N.M.P.M., Lea County, New Mexico;

and,

WHEREAS, SHELL proposes to construct a salt water disposal system for the purpose of collecting and disposing underground of salt water and/or other deleterious substances, all of which substances are hereinafter referred to as "salt water", produced by SHELL and/or other parties as a result of or in connection with oil and gas operations in or in the vicinity of the Caudill Devonian Pool, in Lea County, New Mexico, and in connection therewith, SHELL desires to obtain from LESSORS (1) a lease covering a certain tract, containing two acres, more or less, out of the above described land, with the right to use said tract for the collection and underground disposal of such salt water, and (2) a pipe line right-of-way in, over and across the remainder of the above described land for the purpose of connecting said tract with said system; and

WHEREAS, LESSORS have agreed to lease said tract and to grant said easement to SHELL upon the terms and conditions hereinafter set forth:

NOW, THEREFORE, for and in consideration of the premises and the mutual agreements hereinafter set forth, the parties hereto hereby agree as follows:

FIRST: LESSORS hereby lease, demise and let unto SHELL, its successors and assigns, for and during the term hereof, the following described tract of land, to-wit:

That certain tract, containing two (2) acres, more or less, out of the North-half (N/2) of Section 32, hereinabove described, said tract being more particularly described by notes and bounds as follows:

總的處理方針

1. 總的方針

2. 方針

3. 方針

4. 方針

5. 方針

6. 方針

7. 方針

8. 方針

9. 方針

10. 方針

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15. 方針

16. 方針

17. 方針

18. 方針

BEGINNING at a point from which the NE corner of said Section 32 bears N0°-02'W a distance of 1998.3 feet and N89°-55'E a distance of 1671.9 feet, said point also being in the East line of the two (2) acre tract hereinabove described;

THENCE N58°-16'E a distance of 1965 feet to a point in the East line of Section 32 from which the NE corner of Section 32 bears N0°-02'W a distance of 957.1 feet,

together with the right to lay, replace, maintain, alter, remove and operate therein and thereon a pipe line of such diameter as SHELL may from time to time consider necessary or convenient in connection with the operation of the above mentioned salt water disposal system and with full rights of ingress and egress thereto. If said land has been placed under cultivation, SHELL agrees to bury such pipe line below present plow depth.

THIRD: This lease and the easement herein granted shall be for a term of one (1) year from and after the date hereof, and from year to year thereafter (1) for so long as salt water is produced by SHELL and/or other parties as a result of or in connection with oil and gas operations in or in the vicinity of the Candill Devonian Pool, in Lea County, New Mexico, or (2) for a period of twenty-five (25) years from and after the date hereof, whichever of said periods is the longer. For and in consideration of this lease and the easement herein granted, SHELL has paid LESSORS the sum of One Thousand Dollars (\$1,000.00) in cash, the receipt of which is hereby acknowledged, and SHELL agrees to pay LESSORS as rental each year that said lease and easement are in force and effect the sum of Five Hundred Dollars (\$500.00), payable annually in advance. LESSORS hereby acknowledge receipt of payment of such rental for the first year of the term hereof.

FOURTH: SHELL shall have the right, at its option, to terminate this lease and easement at the end of any lease year by giving LESSORS not less than thirty (30) days' written notice thereof and by paying to LESSORS the sum of Ten Dollars (\$10.00) as the agreed consideration for such termination.

FIFTH: SHELL shall have the right at any time during the term of this lease and easement and within a reasonable time but not less than ninety (90) days from and after the termination hereof to remove any and all property and/or improvements of whatsoever kind or character constructed, installed or placed by SHELL in or upon the land covered by this lease and the easement herein granted. SHELL shall be under no obligation to restore the condition of







NO. OF COPIES RECEIVED	
DISTRIBUTION	
BANTABE	
FILE	
U.S.G.S.	
LAND OFFICE	
OPERATOR	

'91 APR 24 AM 10 24

5a. Indicate Type of Lease  
 State  Fee

5. State Oil & Gas Lease No.

SUNDRY NOTICES AND REPORTS ON WELLS  
 (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR.  
 USE "APPLICATION FOR PERMIT -" (FORM C-101) FOR SUCH PROPOSALS.)

1. OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER- <b>SWD WELL</b>	7. Unit Agreement Name
2. Name of Operator <b>FANNIE LEE MITCHELL, INC</b>	8. Farm or Lease Name <b>CAUDILL SWD</b>
3. Address of Operator <b>BOX 1327 LOVINGTON, NEW MEXICO 88260</b>	9. Well No. <b>G-32</b>
4. Location of Well UNIT LETTER <b>G</b> <b>1980</b> FEET FROM THE <b>NORTH</b> LINE AND <b>1830</b> FEET FROM THE <b>EAST</b> LINE, SECTION <b>32</b> TOWNSHIP <b>15S</b> RANGE <b>36E</b> NMPM.	10. Field and Pool, or Wildcat <b>CAUDILL DEVONIAN</b>
15. Elevation (Show whether DF, RT, GR, etc.) <b>3901 G.L.</b>	12. County <b>LEA</b>

16. Check Appropriate Box To Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input checked="" type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	OTHER <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>	

17. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

3-24-87 Run tubing to 2200' well on vacuum - spot 500 SX plug  
 3-25-87 Spot 500 SX plug  
 3-26-87 Pump fine sand water mix  
 3-27-87 Spot 50 SX @2200' held, fill hole with salt gel mud held spot 20SX at 400' and 10 SX surface  
 Marker erected P&A 3-27-87

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

SIGNED *R. A. Caudill* TITLE President DATE 4-9-87

APPROVED BY *[Signature]* TITLE OIL & GAS INSPECTOR DATE APR 25 1987

CONDITIONS OF APPROVAL, IF ANY: *Edwin W. Day* *see attached agreement*



STATE OF NEW MEXICO

STATE ENGINEER OFFICE

SANTA FE

S. E. REYNOLDS  
STATE ENGINEER

November 10, 1958

ADDRESS CORRESPONDENCE TO:  
P. O. BOX 1079  
SANTA FE, N. M.

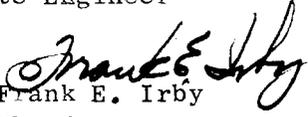
Mr. A. J. Porter, Jr.  
Secretary-Director  
Oil Conservation Commission  
Santa Fe, New Mexico

Dear Mr. Porter:

Reference is made to the application of the Shell Oil Company, Box 845, Roswell, New Mexico which has been given SWD No. 17. The State Engineer finds nothing in this application which would indicate that the underground waters would be contaminated if it is approved.

Yours truly,

S. E. Reynolds  
State Engineer

By:   
Frank E. Irby  
Chief  
Water Rights Division

FEI/ma  
cc-F. H. Hennighausen