

Union Oil Company of California

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NOV 19 1969



Midland District

November 18, 1969

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

Gentlemen:

Owens No. 2 Well, Unit I, 2310' FSL &
990' FEL, Sec. 34, 14-S, 35-E, East
Morton Field, Lea County, New Mexico

The Oil Conservation Commission of the State of New Mexico, under Order No. SWD-107, approved the application of Union Oil Company of California to complete the above captioned well for salt water disposal purposes. Injection was authorized into the San Andres formation at approximately 4635' to 6102' with the stipulation that injection would be through tubing with a packer set at approximately 4575'. We plan to dispose of water produced from only one well, namely the Owens No. 1, Unit G, located 1980' FNL and 1980' FEL, Sec. 34, 14-S, 35-E, Lea County, New Mexico, and because of the poor economics associated with this latter well we respectfully request approval to allow injection down the 8 5/8" casing in the Owens No. 2, and that the stipulation which now requires the installation of tubing and packer be deleted.

The Owens No. 1 well was completed May 5, 1969 in the lower Wolfcamp horizon with a production test of 452 BOPD and no water. This well has experienced a very sharp decline in capacity and is currently producing only 40 BOPD + 140 BWPD and it is believed that the economic limit will be reached in the not too distant future. Consequently, we desire to maintain expenditures associated with this operation to a minimum. Because of the sharp production decline in the producing well, injection down the casing in the Owens No. 2 should be of relatively short duration. It is our belief that elimination of the requirement to install tubing in the disposal well will allow optimization of profit from this field without causing any detrimental effects. Water so injected down the casing of the Owens No. 2 would be treated with a corrosion inhibitor and coupons would be installed in the well head to monitor the corrosion tendencies similar to the method employed in annular disposal practices.

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Your favorable consideration of this request will be greatly appreciated.

Very truly yours,

UNION OIL COMPANY OF CALIFORNIA



John Tyler
Acting District Operations Manager

HRW:rb

cc: D. S. Nutter, Chief Engineer
P. O. Box 2088
Santa Fe, New Mexico 87501