

OIL CONSERVATION DIVISION  
RECEIVED

1992 FEB 6 AM 8 53

January 28, 1992

Mr. Michael Stogner  
Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87504

RE: Administrative Order No. SWD-455  
Sapphire Federal SWD Well No. 1  
Lea County, New Mexico

Dear Michael:



Reference is made to our phone conversation whereby I advised you that Mitchell would prefer the salt water disposal well approved under Administrative Order No. SWD-455 be named Sapphire Federal SWD Well No. 1. It is currently set up in your records as Sapphire Federal Well No. 1 and Mitchell already has a Sapphire Federal Well No. 1 producing well on this lease. We are afraid that both wells being set up with the same name will cause confusion on future filings and therefore request this name change.

Thank you in advance for your assistance in this matter and if I can be of any further help, kindly advise.

Very truly yours,

MITCHELL ENERGY CORPORATION

George Mullen  
Regulatory Affairs Specialist

GM/lgb  
Sapp.gm  
enc.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK  
 DRILL  DEEPEN  PLUG BACK   
 b. TYPE OF WELL  
 OIL WELL  GAS WELL  OTHER Swd well  
 INJECTION WELL  SINGLE ZONE  MULTIPLE ZONE   
 2. NAME OF OPERATOR  
Mitchell Energy Corporation  
 3. ADDRESS OF OPERATOR  
P. O. Box 4000, The Woodlands, Texas 77387-4000  
 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)\*  
 At surface 1,750' FEL and 1,600' FSL (NW/SE) unit J  
 At proposed prod. zone 1,750' FEL and 1,600' FSL (NW/SE)  
 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*  
25 miles SW of Hobbs, New Mexico

5. LEASE DESIGNATION AND SERIAL NO.  
NM 63763  
 6. IF INDIAN, ALLOTTED OR TRIBE NAME  
N/A  
 7. UNIT AGREEMENT NAME  
Sapphire Federal Unit  
 8. FARM OR LEASE NAME  
Sapphire Federal SWD  
 9. WELL NO.  
1  
 10. FIELD AND POOL, OR WILDCAT  
Service Well Queen  
 11. SEC., T., R., M., OR BLM. AND SURVEY OR AREA  
Sec. 23, T19S, R33E  
 12. COUNTY OR PARISH  
Lea  
 13. STATE  
NM

15. DISTANCE FROM PROPOSED\* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any) 1,600'  
 16. NO. OF ACRES IN LEASE  
520 Lse, 960 Unit  
 17. NO. OF ACRES ASSIGNED TO THIS WELL  
40  
 18. DISTANCE FROM PROPOSED LOCATION\* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 50'  
 19. PROPOSED DEPTH  
4,820  
 20. ROTARY OR CABLE TOOLS  
Rotary  
 21. ELEVATIONS (Show whether DF, ET, GR, etc.)  
3643GR  
 22. APPROX. DATE WORK WILL START\*  
Capitan Controlled Water Basin 12-10-91

23. PROPOSED CASING AND CEMENTING PROGRAM R-111-P Potash Secretary's Potash

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
<u>12 1/4</u>	<u>8 5/8</u>	<u>24#</u>	<u>500'</u>	<u>300 sx "C" TOC = Surface</u>
<u>7 7/8</u>	<u>5 1/2</u>	<u>17#</u>	<u>4300'</u>	<u>1200 sx 50/50 POZ TOC = Surface</u>

The operator proposes to drill an injection well to the Queen formation. This well will be used to dispose of the salt water produced from our two Delaware oil wells located on this lease. Specific programs as per Onshore Oil & Gas Order #1 are outlined in the following attachments.

- Drilling Program**  
 Surface Use & Operating Plan  
 Exhibit #1 & 1A - Blowout Preventer Equip.  
 Exhibit #2 - Location & Elevation Plat  
 Exhibit #3 - Planned Access Roads  
 Exhibit #4 - One-mile Radius Map  
 Exhibit #5 - Production Facilities Layout  
 Exhibit #6 - Drilling Rig Layout  
 Exhibit #7 - Cultural Resources Examination
- APPROVAL SUBJECT TO  
 GENERAL REQUIREMENTS AND  
 SPECIAL STIPULATIONS  
 ATTACHED

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED George Mullen George Mullen TITLE Regulatory Affairs Specialist DATE 12/4/91

(This space for Federal or State office use)

PERMIT NO. \_\_\_\_\_ APPROVAL DATE \_\_\_\_\_ RECEIVED \_\_\_\_\_  
 APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE 12-10-91  
 CONDITIONS OF APPROVAL, IF ANY: UN-ORTR. LOC. AND SWD:

Subject to  
 Like Approval  
 by State

\*See Instructions On Reverse Side

NOS: 11 / 6 PRODUCTION  
 REGULATORY AFFAIRS

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING  
GOVERNOR



POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87504  
(505) 827-5800

April 14, 1992

Mitchell Energy Corporation  
P.O. Box 4000  
The Woodlands, Texas 77387-4000

Attention: Mark N. Stephenson

*RE: Injection Pressure Increase  
Sapphire Federal SWD No. 1  
Lea County, New Mexico*

Dear Mr. Stephenson:

Reference is made to your request dated March 16, 1992, to increase the surface injection pressure on the Sapphire Federal SWD Well No. 1. This request is based on a step rate test conducted on the well on March 4, 1992. The results of the test have been reviewed by my staff and we feel an increase in injection pressure on the well is justified at this time.

You are therefore authorized to increase the surface injection pressure on the following well.

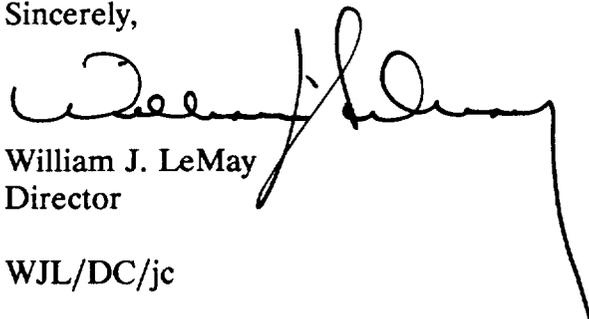
<u>WELL AND LOCATION</u>	<u>MAXIMUM INJECTION SURFACE PRESSURE</u>
Sapphire Federal SWD No. 1 Unit J, Section 23, T-19S, R-33E, NMPM Lea County, New Mexico	1070 PSIG

Mitchell Energy Corporation  
April 14, 1992  
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The Division Director may rescind this injection pressure increase if it becomes apparent that the injected water is not being confined to the injection zone or is endangering any fresh water aquifers.

Sincerely,

A handwritten signature in black ink, appearing to read "William J. LeMay". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

William J. LeMay  
Director

WJL/DC/jc

cc: Oil Conservation Division - Hobbs  
File: SWD-455 ✓  
D. Catanach  
R. Brown