

CASE 7662: CARTER FOUNDATION PRODUCTION
COMPANY FOR A WATERFLOOD PROJECT, LEA
COUNTY, NEW MEXICO

CASE NO.

7662

APPLICATION,
TRANSCRIPTS,
SMALL EXHIBITS,

ETC.

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
STATE LAND OFFICE BLDG.
SANTA FE, NEW MEXICO
1 September 1982

EXAMINER HEARING

IN THE MATTER OF:

Application of Carter Production Com-
pany for a waterflood project, Lea
County, New Mexico.

CASE
7662

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation
Division:

W. Perry Pearce, Esq.
Legal Counsel to the Division
State Land Office Bldg.
Santa Fe, New Mexico 87501

For the Applicant:

Ernest L. Padilla, Esq.
P. O. Box 2523
Santa Fe, New Mexico 87501

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ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
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I N D E X

JAMES W. LAW

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1
2 MR. NUTTER: The hearing will please come
3 to order.

4 We'll call next Case 7662.

5 MR. PEARCE: That is the application of
6 Carter Foundation Production Company for a waterflood project
7 in Lea County, New Mexico.

8 MR. PADILLA: Mr. Examiner, Ernest L.
9 Padilla on behalf of the applicant in this case.

10 I have one witness to be sworn.

11
12 (Witness sworn.)

13
14 JAMES W. LAW

15 being called as a witness and being duly sworn upon his oath,
16 testified as follows, to-wit:

17
18 DIRECT EXAMINATION

19 BY MR. PADILLA:

20 Q Mr. Law, for the record would you please
21 state your name, by whom you're employed?

22 A J. W. Law, International Engineering
23 Company, Incorporated.

24 Q Mr. Law, what is your connection with the
25 applicant in this case, Carter Foundation Production Com pany?

1
2 A I have been retained as a petroleum en-
3 gineer to give testimony today.

4 Q Mr. Law, what's your educational background
5 and work experience, and especially your work experience as
6 far as waterfloods are concerned?

7 A Very briefly, I graduated from Louisiana
8 State University in 1949 with a Bachelor of Science degree in
9 petroleum engineering.

10 I have been employed since that time, some
11 thirty years, in the industry, especiaally by the Superior
12 Oil Company in various locations.

13 Probably the most germane thing to this
14 case was the period of 1952 to 1956, when I was employed as
15 Senior Reservoir Engineer for Superior and was in charge of
16 all of their waterflood and secondary operations in the Illi-
17 nois Basin, north Texas, south Louisiana.

18 I also have experience in supervising en-
19 hanced recovery operations in New Mexico.

20 Q Mr. Law, are you familiar with the appli-
21 cation and purpose of the application?

22 A Yes, sir, I am.

23 Q What is the purpose of the application?

24 A The purpose of the application is to ex-
25 pand the Carter Foundation Company's waterflood project in

1
2 the Langlie Mattix Pool in cooperation with Getty's waterflood
3 in the same area.

4 MR. PADILLA: Mr. Examiner, are the wit-
5 ness' qualifications acceptable?

6 MR. STAMETS: Yes, they are quite acceptable.
7 One thing, Mr. Padilla, have you noted the error in the unit
8 letter designation on the docket on Well No. 6? The docket
9 shows that as unit letter D and I believe that that's unit
10 letter O.

11 I'm not certain if that was advertised
12 that way, but in any event, I don't believe that that's a
13 fatal flaw, and if the -- if it was advertised in error, I
14 believe we can accept that as an amendment to the application
15 and proceed without any problem.

16 MR. PADILLA: Mr. Examiner, we would so
17 amend the application to so reflect the correct unit letter.

18 MR. STAMETS: If it is necessary, it is
19 approved.

20 Q Mr. Law, would you tell us what this ap-
21 plication is for?

22 A Yes, sir. This application specifically
23 applies to the Langlie Mattix Pool. It's for the conversion
24 of three wells in 24 South, 27 East, to water injection in
25 the Penrose formation.

1
2 Q Is this an expansion of a current water-
3 flood?

4 A Yes, sir, it is, the waterflood that was
5 approved by Order Number R-3027 is to be expanded.

6 Q Mr. Law, would you please refer to what
7 has been marked as Exhibits One-A through D and tell us what
8 they are and what they contain?

9 A Yes, sir. Exhibit One-A is a map of the
10 Langlie Mattix Field area, Lea County, New Mexico. The map
11 outlines with the dotted line the Carter Federal Production
12 Company -- Carter Foundation, pardon me, Production Company
13 lease. It shows the location of the three proposed injection
14 wells and also the location of the injection wells into the
15 Penrose that these will be offsetting, as part of this coop-
16 erative waterflood expansion.

17 Q Going on to Exhibits One-A, One-B, and
18 One-C, would you tell us what they are?

19 A Yes, sir. Let's see, I think they should
20 be One-B --

21 Q One-B, C, and D.

22 A Yes, sir. Exhibit One-B is a map showing
23 the one-half mile radius area of review surrounding the pro-
24 posed G. H. Mattix Federal No. 2 Well, injection well, and
25 also it shows a two-mile radius circle with that well as the

center.

Exhibit Number One-C shows exactly the same thing in regard to the G. H. Mattix Federal No. 5 Well, and One-D the same but in regard to the Mattix Federal No. 6 Well.

Q What are the contents of what has been marked Exhibit Number Two?

A Exhibit Number Two are the -- is a list of the wells within the area of review, that is the one-half mile radius, of these three wells. It shows the -- identifies the well as to name, location, the type of well, whether injection or producer, the spud, completion date, total depth, plugged back depth, the zone, and a brief record of the completion of each well.

Q The second to the last page on that exhibit, Mr. Law, is a supplement. Could you tell us what that shows?

A Yes, sir. This supplement contains a listing of five wells with the same data that was inadvertently admitted from the original exhibit.

Q And that original exhibit is the -- are the first four pages, is that correct?

A Yes, sir.

Q How about the last page on the exhibit,

1
2 Mr. Law?

3 A The last page on the exhibit is a sche-
4 matic diagram of Gulf Oil Corporation's S. J. Carr No. 1 Well,
5 located in Section 3 of 24 South, 37 East, which was plugged
6 and abandoned in April of 1952, and this shows the, roughly,
7 the abandonment procedure and plugged, and where set, and
8 where the casing -- remaining casing is in the well.

9 MR. PADILLA: Mr. Examiner, for your bene-
10 fit, I think we're pretty much following the form C-108 of
11 the Oil Conservation Division and trying to present the in-
12 formation in that order.

13 MR. STAMETS: Let me ask one question
14 sort of out of order. What depth will the injection be?

15 A Roughly 37-3800 feet, Mr. Examiner. I
16 can give it to you precisely.

17 MR. STAMETS: That's close enough.

18 A All right.

19 Q Going on to Exhibit Number Three, Mr. Law,
20 tell us what that is, and what it contains.

21 A All right. Exhibit Number Three is a
22 description of the proposed operation, which enumerates the
23 wells to be converted to water injection in the Penrose, and
24 specifies that they are in a position to match the injection
25 pattern that has already been established by Getty Oil Com-

1
2 pany in the Myers Langlie Mattix Unit. The -- it is estimated
3 that the initial injection rate into each well will be between
4 200 and 350 barrels per day; that the initial injection pres-
5 sures will be quite low, zero to 50, gradually building up
6 after fill-up with a maximum pressure of approximately 1600
7 pounds, and finally, that the water source for these three
8 wells will consist primarily of produced salt water from sever-
9 al wells owned by the Carter Foundation in Sections 34 and 35
10 of 23 South, 37 East.

11 And if this quantity is not sufficient,
12 there is additional produced Santa -- Santa Rosa formation
13 brackish water from the Hill Federal No. 7 in Section 35 of
14 23, 37 East, to use as a supplement.

15 Q Mr. Law, you've said -- you've testified
16 that the maximum pressure will likely be about 1600 psi, and
17 of course, you're aware of the Oil Conservation Division poli-
18 cy of setting a limitation of no more than .2 psi per depth
19 of -- per foot of depth.

20 Can you explain how -- can you explain the
21 excess on 1600 psi?

22 A The estimate of 1600, which is roughly
23 800 pounds above the guidelines established by the Conserva-
24 tion Division, was arrived at based on the history from the
25 Langlie Mattix Waterflood Pool, which, of course,

1
2 as shown on the maps surrounds this particular expansion, and
3 where water is being injected into the same horizon, history
4 has shown that in order to get a reasonable amount of water
5 away pressures up to 2000 pounds will be required.

6 Now, a study of the injection pressures
7 from the Myers Langlie Mattix Pool, Waterflood project --

8 Q Is that on adjoining acreage, Mr. Law?

9 A Yes, sir, directly offset on all -- on
10 all sides our acreage.

11 Q Would you refer to what has been marked
12 Exhibit Three-A now and tell us what you have in that exhibit?

13 A Yes, sir. Exhibit Three-A consists of
14 three parts. One is an application by Getty Oil Company.
15 I can't make out the date on mine.

16 Q I believe that was April of 1978, Mr. Law,
17 is that right?

18 A Oh, yes, right. The -- well, it's the --
19 yes, sir.

20 This application is under the provisions
21 of Order No. R-4680 which was approved in November of 1973
22 and this is an expansion application by Getty, which lists
23 a number of injection wells to be added to the original in-
24 jection program, and in this -- in this application Getty
25 refers to the fact that injection pressures in excess of 1200

1
2 psi on the surface might be required and if so, additional
3 information would be furnished.

4 Q What's the maximum pressure that Getty
5 Oil Company has reported in its waterflood?

6 A The most recent report shows a maximum
7 pressure of 2000 pounds at the surface in several wells.

8 Q Does that indicate that the formation has
9 been fractured?

10 A No, sir, there is no way that the volumes
11 that are being injected, 2-to-300 barrels a day into these
12 individual wells, at 2000 pounds could be supported if the --
13 if the zone had been fractured. The rates would be much
14 higher and the pressure would immediately go much lower.

15 In other words, there's no way you could
16 sustain 2000 pounds in a formation like this after you frac-
17 tured it, without a terrifically high volume of injection, in
18 the thousands of barrels.

19 Q It's the same injection interval, is that
20 correct?

21 A Yes, sir.

22 Q Going on to what's been marked Exhibit
23 Number Four, could you tell us what that is and what it con-
24 tains?

25 A Exhibit Number Four is a chemical analysis

1
2 of the Santa Rosa formation water from Carter Foundation's
3 Hill No. 7 Well in Lea County, New Mexico.

4 This -- this chemical determination shows
5 total sodium and potassium concentration of 900 parts per
6 million; 160 calcium; 140 magnesium; total chlorides of 800,
7 and rather high sulfate.

8 Q Is this potential injection water, Mr. Law?

9 A Yes, sir, this is supplemental water that
10 they may use.

11 Q Would this water be compatible with other
12 produced water in the area and also with the injection inter-
13 val, with the water in the injection interval?

14 A Yes, sir.

15 Q To your knowledge?

16 A To the best of my knowledge.

17 Q Going on to what's been marked as Exhibit
18 Number Five, and tell us what that is.

19 A Exhibit Number Five is a brief summary
20 of geological data which has been determined from the Penrose
21 sand of the Queen formation. It gives a very brief history
22 of the secondary recovery operation that Getty Oil Company,
23 which at the time was Skelly, initiated, and goes on to
24 enumerate of the eight Penrose wells in the area that have
25 been cored, the average permeability is roughly six milli-

1
2 darcies; porosity about 14 percent; and residual oil saturation
3 about 10 percent.

4 The subject injection wells, the Mattix
5 Well No. 5 was cored from 3430 to 3633, with 58 feet of net
6 pay and an average porosity in this well was 7.3 percent.
7 Permeability was less than one.

8 Six was cored from 3450 to 3605 with 41
9 feet of net pay, average porosity 10.7, permeability again
10 of less than one millidarcy.

11 The average oil saturation in both of the
12 wells varies from a trace to 20.4 percent.

13 The operator reports recoveries from the
14 Mattix lease through 1981 range from -- averaged about 50,000
15 barrels per well.

16 Q Does that exhibit indicate, Mr. Law, where
17 the fresh water sources may be located?

18 A Yes, sir, the final paragraph of this ex-
19 hibit states that the produced drinking water, one well with-
20 in a mile of the proposed injection wells is producing from
21 a depth of approximately 120 feet. It is in the southwest
22 part of Unit D, Section 35, 23, 37, and goes on to say that
23 the Carter Foundation has developed a Santa Rosa water supply
24 well at 681 feet but the water from this well is not consi-
25 dered potable.

1
2 Q Mr. Law, given the proposed injection
3 pressures, the proposed volumes of injection, would you give
4 an opinion as to whether there would be any communication be-
5 tween the fresh water source and the injection interval?

6 A After a study of the casing and cementing
7 programs on the three proposed injection wells, it is my
8 opinion that vertical communication over that interval would
9 be virtually impossible.

10 Q Going on to -- tell us about Exhibit Num-
11 ber Six, would you, Mr. Law?

12 A Exhibit Number Six is a simulation --
13 stimulation, I'm sorry, history on the G. H. Mattix No. 2
14 Well, which briefly states that this well is shot with 620
15 quarts of nitroglycerin in 1951, and in 1957 the well was
16 fractured with 2000 gallons, using one to one-and-a-half
17 pounds of sand per gallon.

18 The No. 5 Well in 1961 was acidized and
19 later fractured with 30,000 gallons of one to one-half pound
20 sand per gallon.

21 The 6 Well was acidized and later frac-
22 tured with 37,500 gallons of lease crude and 56,000 pounds
23 of sand.

24 It is not anticipated that additional
25 stimulation will be used unless injection pressures prove to

1
2 be excessive.

3 Q Tell us about Exhibit Number Seven now,
4 Mr. Law, please.

5 A Exhibit Number Seven is well test data
6 on the three wells which are proposed for conversion to in-
7 jection. The No. 2 and No. 6 Wells are currently shut-in.
8 The No. 5 Well is tested in February of 1982, a 24-hour test,
9 in which the well produced one barrel of water per day, 1.38
10 barrels of oil, and 3.4 Mcf of gas.

11 Q Are any logs available for this well that
12 you know of?

13 A No, sir.

14 Q Tell us now about Exhibit Number Eight,
15 what it contains.

16 A Exhibit Number Eight is a schematic diag-
17 ram showing the only fresh water well located within the
18 one mile radius of the proposed injection wells. This well
19 is used for domestic water supply for the applying operator's
20 production company camp and the well is located in the south-
21 west portion of Unit E, Section 35, 23 South, 37 East, and
22 within the camp area.

23 This well is pumped from an approximate
24 depth of 120 feet.

25 Q What's the second page on that exhibit,

1
2 Mr. Law?

3 A The second page on this exhibit is a water
4 analysis report from said water well. I think the pertinent
5 factor is total chlorides of 200 parts per million and that's
6 about it.

7 Q Going on to Exhibit Number Nine, tell us
8 what that is.

9 A Exhibit Number Nine is an affidavit of
10 publication wherein legal notice was published in the Hobbs
11 News Sun in Hobbs, New Mexico, on June 28th, 1982, wherein
12 the three proposed injection wells are named and the formation
13 and intervals to be injected into are designated and the an-
14 ticipated rate of injection is set forth.

15 Q Does that exhibit also show that the off-
16 set operators and surface owner for the injection zone were
17 notified?

18 A Yes, sir, it does.

19 Q Who are the offset operators and the
20 surface owner?

21 A The offset operators are Getty Oil Com-
22 pany, Pearson Siber Oil Company in Texas, Mr. Bill Grove of
23 Jal, New Mexico, Mr. Jimmy Dume of Dume Ranch, Jal, New
24 Mexico.

25 Q Is he the surface owner, Mr. Law?

1

2

A Yes, sir.

3

Q And how was that notice given to all these

4

offset operators and the surface owner?

5

A By registered mail.

6

Q And does the last page contain proof of

7

that?

8

A Yes, sir, the last page contains a receipt

9

for certified mail from these parties.

10

Q Going on to Exhibit Number Ten, would you

11

explain what that is and what it contains?

12

A Yes, sir. Exhibit Number Ten is injection

13

well data sheets for the three proposed injection wells.

14

This enumerates the wells, there's one sheet for each well.

15

It's the schematic diagram of the casing, mechanic, tubing,

16

packer, pay interval, casing shoe, also injection interval,

17

also enumerated is certain data concerning the grade, weight

18

of the pipe, and the cement job performed thereon.

19

Q How about the last page on that exhibit,

20

Mr. Law?

21

A The last page on that exhibit is an in-

22

jection well data sheet.

23

Q Is that common to all the wells?

24

A Yes, sir.

25

Q Okay, going on to Exhibit Number Eleven,

1
2 tell us what that is and what it shows?

3 A Exhibit Number Eleven is a recommendation
4 from the Oil Conservation Division District I in Hobbs.

5 Q What's that recommendation, Mr. Law?

6 A The recommendation is that this proposed
7 waterflood expansion is okayed.

8 Q Okay, how about Exhibit Number Twelve?

9 A Exhibit Number Twelve is a letter to Mr.
10 Roy Johnson of the Oil Conservation Division from the consulting
11 firm of Robert D. Fitting and Associates in Midland, Texas,
12 and this is an application to convert the three referenced
13 wells to injection. This is an application dated July 22nd,
14 1982.

15 Q Mr. Law, do you have anything further to
16 add to your testimony here today?

17 A Only that based on my experience in the
18 design and installation and operation of numerous waterfloods
19 over the years, I -- it appears to me that this is a perfectly
20 viable project and I see no mechanical or contamination prob-
21 lems involved.

22 Q In your opinion, Mr. Law, would it be in
23 the best interests of conservation, protection of correlative
24 rights, and prevention of waste be enhanced?

25 A Yes, sir.

1
2 MR. PADILLA: Mr. Examiner, I have nothing
3 further, no further questions, and I would request that Ex-
4 hibits One through Twelve be admitted, and I also would ask
5 that administrative notice be taken of Oil Conservation Divi-
6 sion Orders Numbers R-3027 and -4680 be taken, and I have
7 nothing further.

8 MR. STAMETS: We will take notice of the
9 orders which you mentioned. And the exhibits as presented
10 are admitted into evidence.

11
12 CROSS EXAMINATION

13 BY MR. STAMETS:

14 Q Mr. Law, in Exhibit Twelve, Fittings'
15 letter, he says, it is our belief that the enclosed plat
16 correctly reflects the location of all water wells and wind-
17 mills in the area.

18 I would assume that that is the same map
19 that you have submitted here today as Exhibit One-A.

20 A Yes, sir, that is correct.

21 Q Okay. Mr. Law, would the applicant have
22 any problem with a pressure limitation on these wells based
23 on .2, with the opportunity to have that pressure increased
24 by the District Supervisor in Hobbs?

25 A I see no problem with that, sir.

1
2 Q That would be a little bit of a variation
3 from our standard operation, but since we already have wells
4 in the area injecting at relatively high pressures, I would
5 think the District Supervisor probably could better make that
6 determination than we could here in Santa Fe.

7 MR. STAMETS: Are there any other ques-
8 tions of this witness?

9 I would point out that the Examiner has
10 not had a whole lot of time to look at the wells within the
11 area of review. It's possible we might question one there.
12 A quick review doesn't show anything.

13 MR. PADILLA: Mr. Examiner, Roy Johnson
14 of the Division has pointed out deficiency on the well data
15 sheet and we have supplemented that, so I think we have cor-
16 rected that problem.

17 MR. STAMETS: The witness may be excused.

18 If there is nothing further, the case
19 will be taken under advisement.
20

21 (Hearing concluded.)
22
23
24
25

C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that
the foregoing Transcript of Hearing Before the Oil Conserva-
tion Division was reported by me; that the said transcript
is a full, true, and correct record of the hearing, prepared
by me to the best of my ability.

Sally W. Boyd CSR

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 7663
heard by me on 9-1 19 82
Richard P. Damm, Examiner
Oil Conservation Division

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STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

September 30, 1982

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P. O. Box 2523
Santa Fe, New Mexico 87502

Re: CASE NO. 7662
ORDER NO. R-7082

Applicant:

Carter Foundation Production
Company

Dear Sir:

Enclosed herewith are two copies of the above-referenced Division order recently entered in the subject case.

Yours very truly,

JOE D. RAMEY
Director

JDR/fd

Copy of order also sent to:

Hobbs OCD	<u>X</u>
Artesia OCD	<u>X</u>
Aztec OCD	

Other

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 7662
Order No. R-7082

APPLICATION OF CARTER FOUNDATION
PRODUCTION COMPANY FOR A WATERFLOOD
PROJECT, LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on September 1, 1982, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 30th day of September, 1982, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

- (1) That due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.
- (2) That the applicant, Carter Foundation Company, seeks authority to expand its Blaine-Cade Waterflood Project in the Langlie Mattix Pool, by the injection of water into the Queen formation through its Mattix Federal Wells Nos. 2, 5, 6 located in Units C, E, and O, respectively, in Section 3, Township 24 South, Range 37 East, NMPM, Lea County, New Mexico.
- (3) That the proposed injection is not an expansion of said Blaine-Cade project but is in fact a new project.
- (4) That the wells in the project area are in an advanced state of depletion and should properly be classified as "stripper" wells.
- (5) That the proposed waterflood project should result in the recovery of otherwise unrecoverable oil, thereby preventing waste.

-2-

Case No. 7662

Order No. R-7082

(6) That the operator should take all steps necessary to ensure that the injected water enters only the proposed injection interval and is not permitted to escape to other formations or onto the surface from injection, production, or plugged and abandoned wells.

(7) That the injection wells or injection pressurization system should be so equipped as to limit injection pressure at the wellhead to no more than 900 psi, but the Division Director should have authority to increase said pressure limitation, should circumstances warrant.

(7) That the subject application should be approved and the project should be governed by the provisions of Rules 702 through 708 of the Division Rules and Regulations.

IT IS THEREFORE ORDERED:

(1) That the applicant, Carter Foundation Production Company, is hereby authorized to institute a waterflood project on its Mattix Federal Lease, Langlie Mattix Pool, by the injection of water into the Queen formation through its Mattix Federal Wells Nos. 2, 5, and 6, located in Units C, E, and O, respectively, in Section 3, Township 24 South, Range 37 East, NMPM, Lea County, New Mexico.

(2) That injection into each of said wells shall be through internally coated tubing, set in a packer which shall be located as near as practicable to the uppermost perforation or in the case of an open hole completion, the casing shoe; that the casing-tubing annulus of each injection well shall be loaded with an inert fluid and equipped with an approved pressure gauge or attention-attracting leak detection device.

(3) That the operator shall immediately notify the supervisor of the Division's Hobbs district office of the failure of the tubing or packer in any of said injection wells, the leakage of water or oil from around any producing well, or the leakage of water or oil from any plugged and abandoned well within the project area and shall take such timely steps as may be necessary or required to correct such failure or leakage.

(4) That the injection wells herein authorized and/or the injection pressurization system shall be so equipped as to limit injection pressure at the wellhead to no more than 900 psi, provided however, the Division Director may authorize a higher surface injection pressure upon satisfactory showing that such pressure will not result in fracturing of the confining strata.

-3-

Case No. 7662

Order No. R-7082

(5) That the subject waterflood project is hereby designated the Carter-Mattix Waterflood Project and shall be governed by the provisions of Rules 701 through 708 of the Division Rules and Regulations.

(6) That monthly progress reports of the waterflood project herein authorized shall be submitted to the Division in accordance with Rules 706 and 1115 of the Division Rules and Regulations.

(7) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

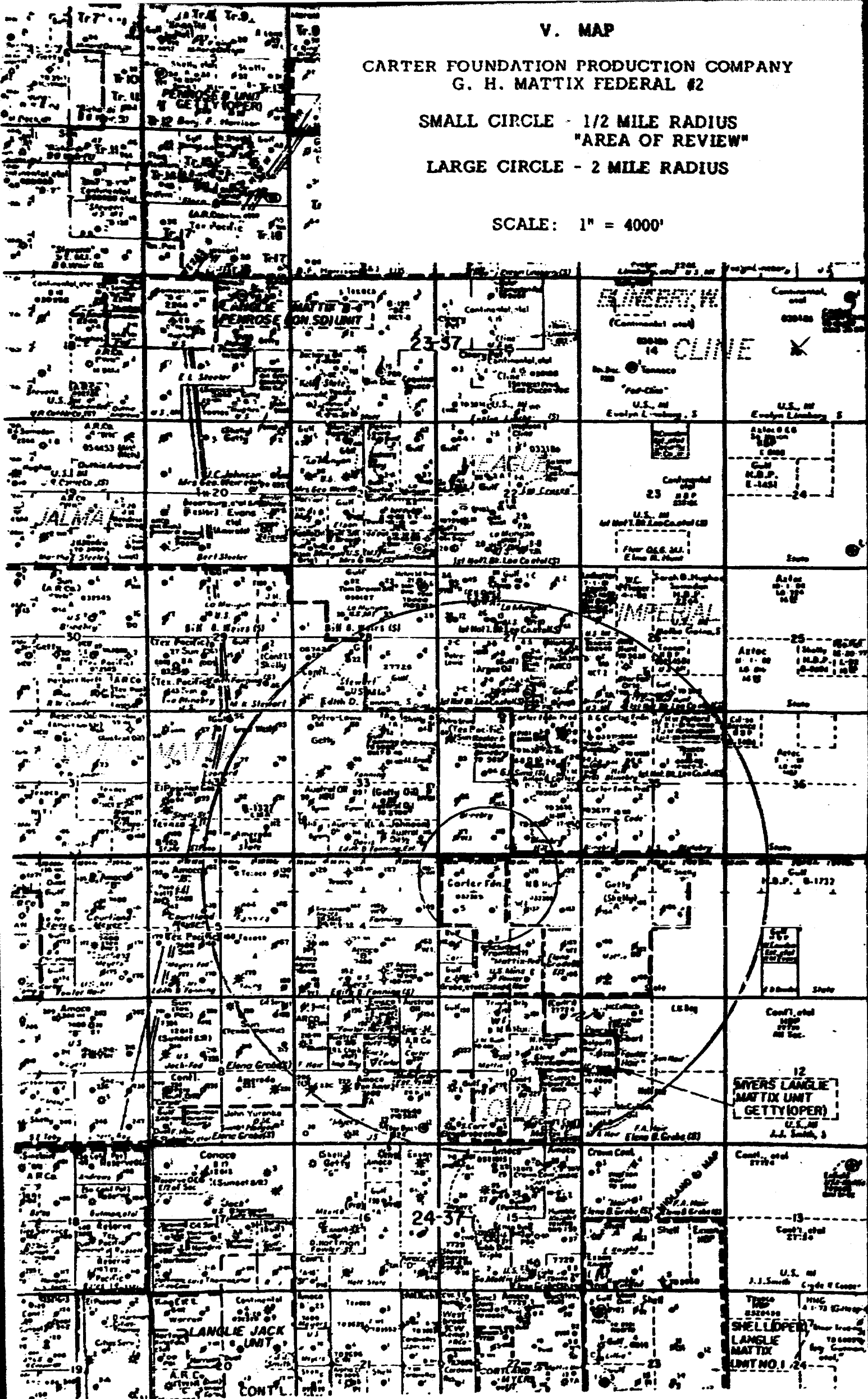
DONE at Santa Fe, New Mexico, on the day and year hereinafter designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

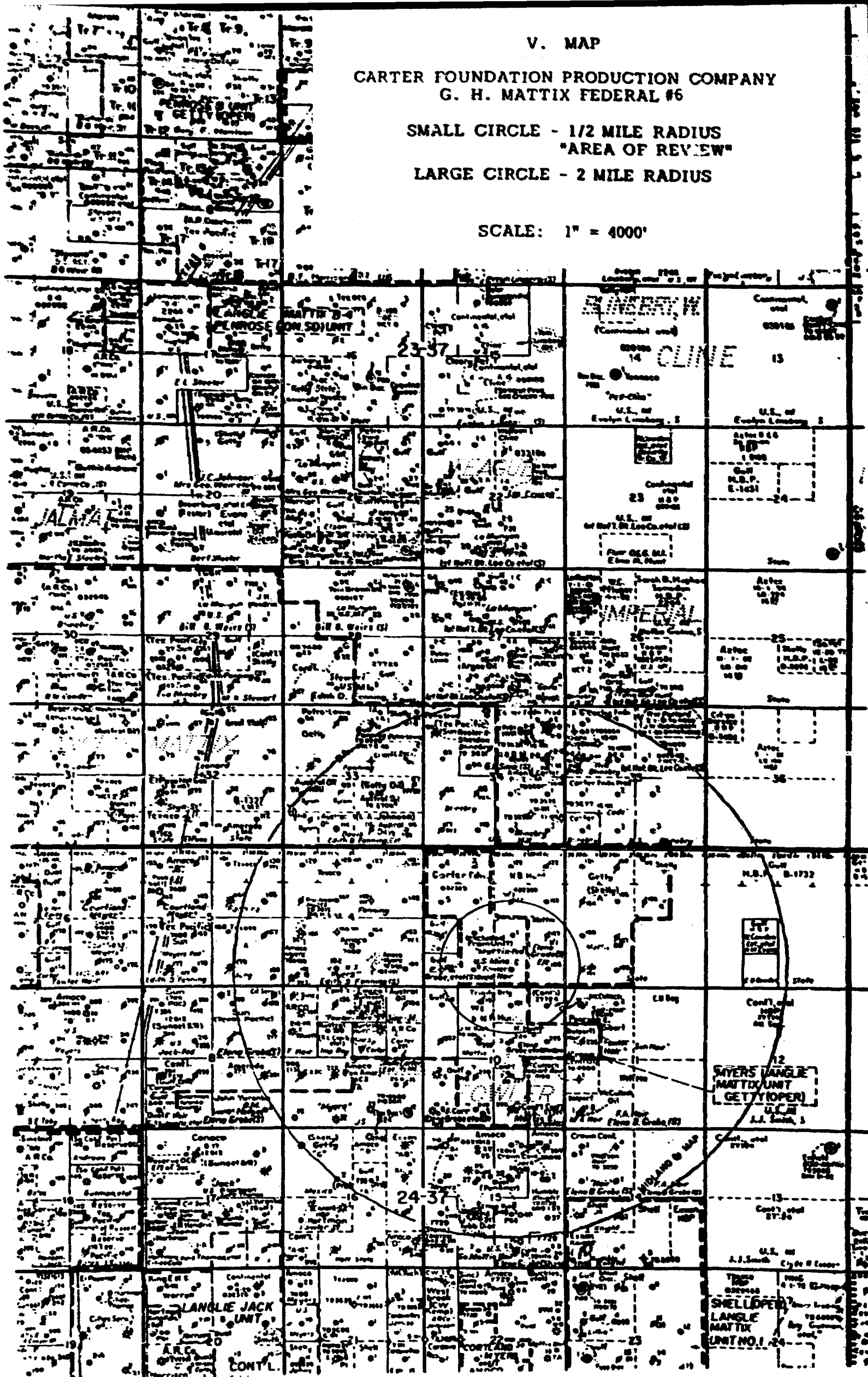


Joe D. Ramey
JOE D. RAMEY,
Director

SCALE: 1" = 4000'



SCALE: 1" = 4000'



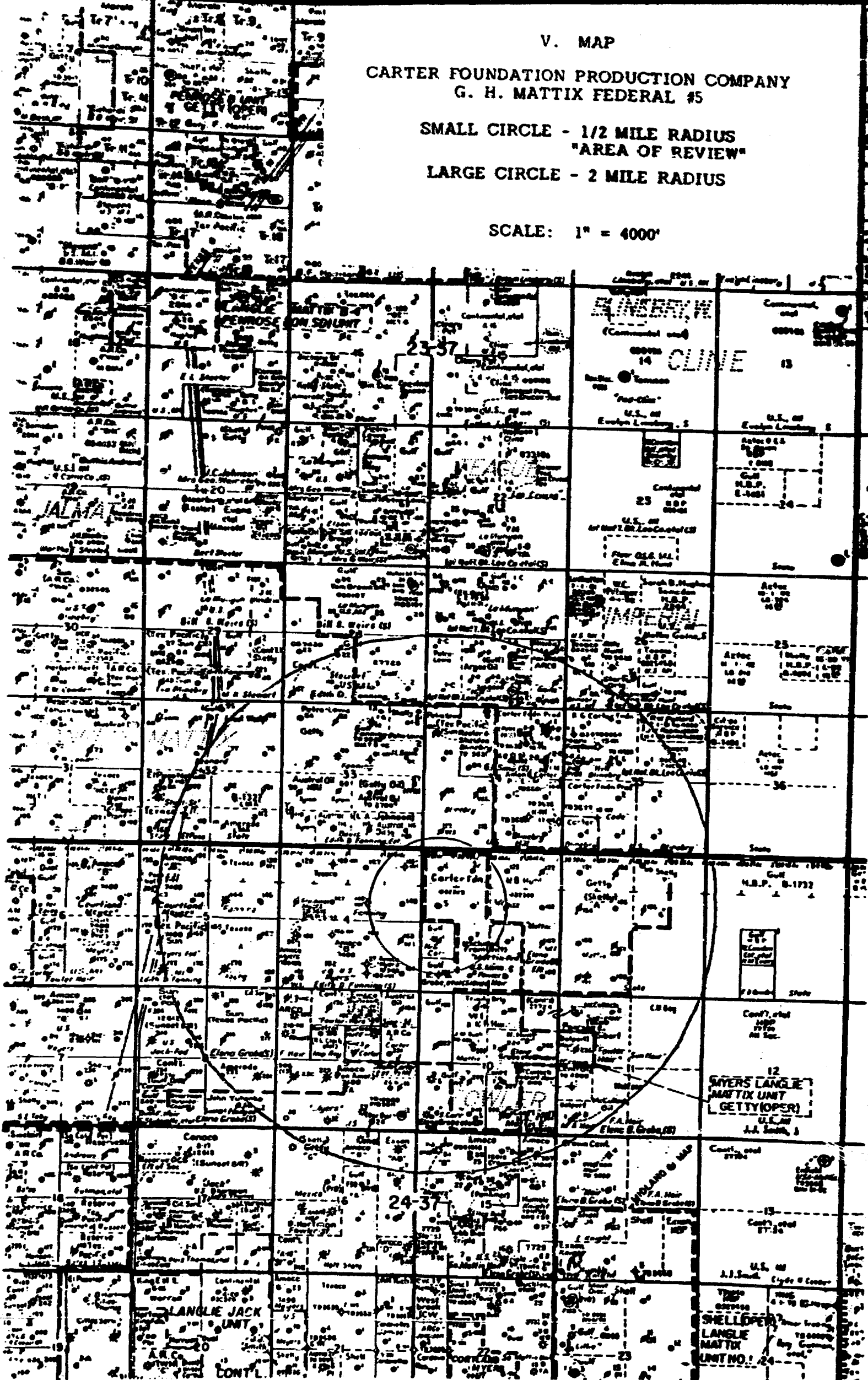
V. MAP

CARTER FOUNDATION PRODUCTION COMPANY
G. H. MATTIX FEDERAL #5

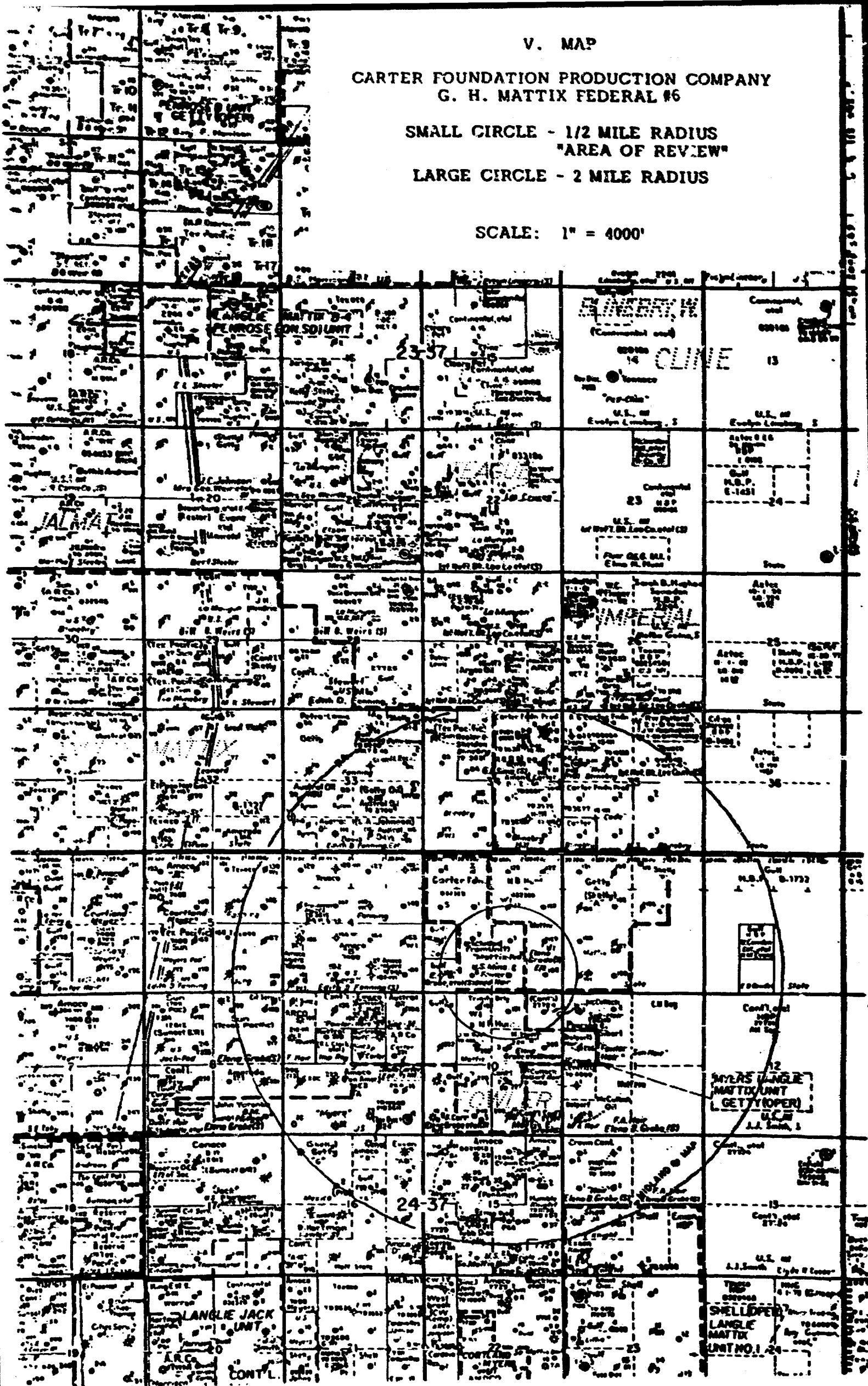
SMALL CIRCLE - 1/2 MILE RADIUS
"AREA OF REVIEW"

LARGE CIRCLE - 2 MILE RADIUS

SCALE: 1" = 4000'



SCALE: 1" = 4000'



VI.

WELLS WITHIN AREA OF REVIEW (1/2 MILE RADIUS)

BEFORE EXAMINER STAMPEL'S
OIL CONSERVATION DIVISION

EXHIBIT NO. 2

CASE NO.

Submitted Record of Completion

Hearing Date

Operator, Lease & Well No.

Location
Unit Section Township Range

Type

Date
Spudded CompletedDepth
TD PBT

Zone

Getty Oil Company
Myers-Langle Matrix Unit

Well #117

M

34 23-S 27-E
660' FS&WL'sWater Unknown 1-21-41 3571'
Injector
Converted: 8-22-78 DD to 3700'

Queen

Open Hole: 3435'-3571'
Casing: 13-3/8" @ 336'/250 sx,
9-5/8" @ 2550'/500 sx, 7" @ 3435'/100
4-1/2" Liner 3029'-3700'/125 sx
Perfs: 3439'-3564', acid/3,000 gals

Well #118

N

34 23-S 37-E
660' FSL & 1980' FWL

Oil Producer 11- 8-50 12- 9-50 3578'

Queen

Open Hole: 3308'-3578'
Casing: 10-3/4" @ 285'/150 sx,
5-1/2" @ 3308'/400 sx
Treatment: Shot/400 qts. nitro

Well #123

B

3 24-S 37-E
660' FNL & 1980' FEL

Oil Producer 9-22-50 10-22-50 3564'

Queen

Open Hole: 3321'-3564'
Casing: 10-3/4" @ 254'/150 sx,
7" @ 3321'/800 sx
Treatment: Shot/470 qts. nitro

Well #126

A

4 24-S 37-E
660' FNL & 1980' FELWater 10-14-81 12- 1-81 3675'
Injector 3642'

Queen

Perfs: 3387'-3637'
Casing: 8-5/8" @ 501'/350 sx,
5-1/2" @ 3671'/1000 sx
Tubing: 2-3/8" @ 3318'
Treatment: Acid/2,000 gals, Frac
21,000 gals & 5,000# sd

Well #152

G

3 24-S 37-E
1974' FNL & 1984' FELWater 10- 7-51 11-26-51 3560'
Injector
(Inactive)

Queen

Open Hole: 3328'-3560'
Casing: 7" @ 3328'/800 sx
Treatment: Shot/450 qts nitro

Well #149

H

4 24-S 37-E
1980' FNL & 660' FEL

Oil Producer Unknown 3701'

Queen

Open Hole: 3459'-3665'
Casing: 12-1/2" @ 201'/150 sx
8-5/8" @ 1250'/300 sx, 7" @ 3459'/100 s

Well #162

L

3 24-S 37-E
1980' FSL & 560' FWL

Oil Producer 7-23-81 2-23-82 3745' 3697'

Queen

Perfs: 3460'-3619'
Casing: 8-5/8" @ 501'/350 sx,
5-1/2" @ 3745'/1,100 sx
Treatment: Acid/6,500 gals,
Frac/33,000 gals & 60,000# sd

V.I.

WELLS WITHIN AREA OF REVIEW (1/2 MILE RADIUS)

Operator, Lease & Well No.	Location			Type	Date		Depth		Zone	Record of Completion
	Unit	Section	Township Range		Spudded	Completed	TD	PBTD		
<u>Getty Oil Company</u> <u>Myers Langille-Matrix Unit</u>										
Well #163	I	4	24-S 37-E	Water	Unknown	8-19-37	3640'	Queen	Open Hole: 3466'-3640' Casing: 12-1/2" @ 18", 8-5/8" @ 1374'/400 sx, 5-1/2" @ 3466'/400 sx, Liner 3218'-3731'/125 sx Perfs: 3515'-3643', Acid/3,000 gals	
		1980' FSL & 660' FEL	Injector	Converted: 11-20-78			DD 3731'			
Well #185	M	3	24-S 37-E	Water	7-11-81	3-15-82	3705'	Queen	Perfs: 3489'-3635' Casing: 8-5/8" @ 500'/350 sx, 5-1/2" @ 3703'/1150 sx Treatment: Acid/2,000 gals	
		660' FS&WL's	Injector				3652'			
Well #159	I	3	24-S 37-E	Water	2- 6-52	3-19-52	3586'	Queen	Open Hole: 3323'-3586' Casing: 10-3/4" @ 261'/150 sx, 7" @ 3323'/800 sx	
		1980' FSL & 660' FEL	Injector (Inactive)							
Well #188	P	3	24-S 37-E	Oil Producer	8-16-78	9-15-78	3747'	Queen	Perfs: 3504'-3602' Casing: 8-5/8" @ 507'/275 sx, 5-1/2" @ 3746'/800 sx Treatment: Acid/2,000 gals, Frac/19,000 gals & 24,000# sd	
		660' FS&EL's					3706'			
Well #191	B	10	24-S 37-E	Oil Producer	12- 6-52	2-20-53	3643'	Queen	Open Hole: 3334'-3635' Casing: 9-5/8" @ 252'/165 sx, 5-1/2" @ 3334'/800 sx Treatment: Shot/350 qts nitro	
		660' FNL & 1980' FEL					3635'			
Well #192	C	10	24-S 37-E	Water	2-25-53	4-17-53	3582'	Queen	Open Hole: 3347'-3582' Casing: 8-5/8" @ 250'/125 sx, 5-1/2" @ 3347'/800 sx Treatment: Shot/250 qts nitro	
		560' FNL & 2080' FWL	Injector							
<u>Carter Foundation Production Company</u> <u>Eva E. Blinberry Federal</u>										
Well #2	O	34	23-S 37-E	Oil Producer	4- 3-50	5-16-50	3536'	Queen	Open Hole: 3309'-3536' Casing: 13-3/8" @ 311'/175 sx, 7" @ 3309'/850 sx	
		660' FSL & 1995' FEL								

WELLS WITHIN AREA OF REVIEW (1/2 MILE RADIUS)

Operator, Lease & Well No.	Unit	Section	Township	Range	Type	Date		Depth		Zone	Record of Completion
						Spudded	Completed	TD	PBTD		
<u>Carter Foundation Production Company</u>											
<u>G. H. Mattox Federal</u>											
Well #7	K	3	24-S	37-E	Oil Producer	10-8-81	11-13-81	3730'	3722'	Queen	Perfs: 3474'-3638' Casing: 8-5/8" @ 507'/360 sx, 5-1/2" @ 3722'/900 sx Tubing: 2-3/8" @ 3638' Treatment: Acid/6,000 gals, Frac/36,000 gals & 72,000# sd
Well #8	N	3	24-S	37-E	Oil Producer	8-1-81	9-21-81	3692'		Queen	Perfs: 3475'-3626' Casing: 8-5/8" @ 565'/360 sx 5-1/2" @ 3692'/900 sx Tubing: 2-3/8" @ 3579' Treatment: Acid/5,000 gals, Frac/36,000 gals, 10/20 & 10/40 sd
<u>Pearson-Sibert Oil Co. of Texas</u>											
<u>G. H. Mattox Federal</u>											
Well #1	A	10	24-S	37-E	Oil Producer	5-29-52	7-2-52	3621'		Queen	Open Hole: 3435'-3621' Casing: 9-5/8" @ 326'/250 sx 5-1/2" @ 3435'/400 sx Tubing: 2-3/8" @ 3612'

SUPPLEMENT TO REQUIREMENT VI
WELLS WITHIN AREA OF REVIEW (1/2 MILE RADIUS)

<u>Operator, Lease & Well No.</u>	<u>Location</u>		<u>Type</u>	<u>Date</u>		<u>Depth</u>		<u>Zone</u>	<u>Record of Completion</u>
	<u>Unit</u>	<u>Section Township Range</u>		<u>Spudded</u>	<u>Completed</u>	<u>TD</u>	<u>PBTD</u>		
<u>Getty Oil Company</u> <u>Well #85</u>	K	34 23-S 37-E 1980' FSL & 1880' FWL	Water Injector	6-14-61	7- 3-61	3572'		Queen	Perfs: 3488'-3559' Casing: 8-5/8" @ 350'/200 sx, 5-1/2" @ 3572'/300 sx Treatment: Acid/250 gals; Frac/20,000 gals.
Well #122	A	3 24-S 37-E 660' FN&EL's	Water Injector	8-12-50	9-13-50	3568'		Queen	Open Hole: 3415'-3564' Casing: Unknown Treatment: Shot/470 qts. 3415'-3564'
Well #148	G	4 24-S 37-E 1980' FN&EL's	Water Injector	11-28-81	1- 8-82	3750'	3677'	Queen	Perfs: 3425'-3638' Casing: 8-5/8" @ 518'/350 sx 5-1/2" @ 3750'/2000 sx Treatment: Acid/800 gals.
Well #189	M	2 24-S 37-E 660' FS&WL's	Water Injector Convey. and:	Unknown 10-15-78	4-12-53	3588' OTD 3725'		Queen	Perfs: 3530'-3630' Casing: 8-5/8" @ 1010'/400 sx 5-1/2" @ 3400'/100 sx 4" Liner 3085'-3724' Treatment: Acid/3,000 gals.
Well #224	G	10 24-S 37-E 1980' FN&EL's	Water Injector	Unknown		3684'		Queen	Pay Interval: 3530'-3602' Casing: 8-1/4" @ 510'/270 sx 5-1/2" @ 3311'/750 sx 4" Liner 3145'-3672'

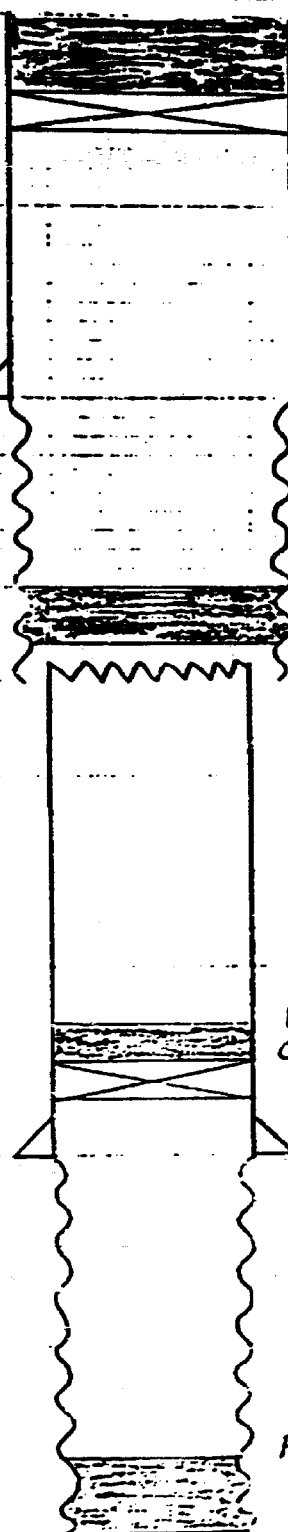
GULF OIL CORP.

VI.

S. J. CARR NO. 1

UL L, sec. 3-T24S-R37E

Pt. A 4/52



13 SX Cement Plug SURFACE - 25'

Bridge Plug @ 25'

15 1/2 CSG. @ 148' NOT Cemented

10 3/4 CSG. @ 1237' Cemented w/250 SXS

Cement TOP @ SURFACE

34 SX Cement Plug 2445'-2520'

Shot 7" CSG. OFF @ 2554' + PULLED

15' OF Cement ON TOP OF Retainer

Cement Retainer @ 3466' Squeezed 20 SXS Below Retainer

7" CSG. @ 3484' Cemented w/100 SXS.

CALC. Cement TOP @ 2600'

PBTD @ 3625'

TD @ 3826'

VII.

PROPOSED OPERATIONS

The Carter Foundation Production Company proposes to use the subject G. H. Mattix Federal #2, #5 and #6 as cooperative water injection wells to match the injection pattern established by the Getty Oil Company, Myers Langlie Mattix Unit wells. The average initial daily rate should approximate 200 barrels to a maximum of 350 barrels per well per day.

The system will be closed and the average initial injection pressure is estimated from 0 to 50 psi with an after fillup approximate maximum injection pressure of 1600 psi.

The water source will be primarily of produced salt water from the multipay wells owned by Carter Foundation Production Company in Sections 34 and 35, T-23-S, R-37-E, and the subject lease. If the quantity is insufficient, produced Santa Rosa formation brakish water from our approved water supply well, the E. C. Hill Federal #7 in Section 35, T-23-S, R-37-E, will be used to supplement the supply.

BEFORE EXAMINER STAMETS	
OIL CONSERVATION DIVISION	
EXHIBIT NO.	<u>3</u>
CASE NO.	_____
Submitted by	_____
Hearing Date	_____



Getty Oil Company

Central Exploration and Production Division

Oil Conservation Commission
State Of New Mexico
P.O. Box 1088
Santa Fe, New Mexico

Re: Myers Langlie Mattix Unit Expansion
Langlie Mattix Pool
Lea County, New Mexico

Gentlemen:

Under the provisions of Order No. R-4680, Getty Oil Company respectfully requests administrative approval to expand our Myers Langlie Mattix Unit waterflood project in the Langlie Mattix Pool, Lea County, New Mexico.

- (1) Getty Oil Company seeks authority to expand its project by injection of water into the Langlie Mattix through an additional twenty-nine (29) injection wells within the current Myers Langlie Mattix Unit boundary.
- (2) The expansion will require the conversion of seventeen (17) singly completed wells to water injection, those being:

Myers Langlie Mattix Unit		Location		
Well No.	Unit	Section	Township	Range
5	A	30	23S	37E
22	K	28	23S	37E
30	K	30	23S	37E
32	I	25	23S	37E
75	E	32	23S	37E
77	G	32	23S	37E
84	H	34	23S	37E
87	I	33	23S	37E
93	K	32	23S	37E
111	O	32	23S	37E
117	M	34	23S	37E
130	A	5	24S	37E
163	I	4	24S	37E
167	I	5	24S	37E
181	M	4	24S	37E
189	M	2	24S	37E
226	E	11	24S	37E

BEFORE EXAMINER STAMETS
OIL CONSERVATION DIVISION
EXHIBIT NO. 3A

FILE NO.

Submitted by

Hearing Date

- (3) The expansion will require drilling twelve (12) injection wells on undeveloped tracts, those being:

<u>Myers Langlie Mattix Unit</u>		<u>Location</u>		
<u>Well No.</u>	<u>Unit</u>	<u>Section</u>	<u>Township</u>	<u>Range</u>
15	G	30	23S	37E
41	O	30	23S	37E
59	A	31	23S	37E
81	G	33	23S	37E
126	A	4	24S	37E
128	C	4	24S	37E
148	G	4	24S	37E
165	K	4	24S	37E
183	O	4	24S	37E
185	M	3	24S	37E
204	C	7	24S	37E
212	G	7	24S	37E

- () Getty Oil Company seeks permission to inject water into the above 29 wells at a pressure not to exceed 1200 psig surface.

The proposed expansion will completely develop the Myers Langlie Mattix Unit on 80 acre five spot waterflood patterns. We estimate that an additional 3,360,000 barrels of oil reserves will be recovered as a result of this expansion.

The following exhibits are included:

- (1) Exhibit I is a plat showing the location of the proposed injection wells and the location of all other wells within a radius of two miles from said proposed injection wells and the formation from which said wells are producing or have produced. The plat also indicates lessees within a two mile radius.
- (2) Exhibit II is a tabular summary of all wells located within one-half mile of the proposed injection wells which penetrate the injection zone. The tabulation shows: casing diameters and depths, cement volumes used, known or calculated cement tops, completion intervals, and total depths.
- (3) Exhibit III is a type log of the area from Myers Langlie Mattix Unit Well No. 32. Tops are marked and the proposed injection interval is indicated.
- (4) Exhibit IV is downhole sketches of the proposed injection wells. The sketches show: the diameter and setting depths of all casing strings, the quantities used and tops of cement, the perforated or open hole intervals, the tubing strings, and the type and location of packers.
- (5) Exhibit V is downhole sketches of all plugged and abandoned wells within one-half mile radius of the proposed injection wells which penetrated the injection zone. The sketches show the size and location of all plugs and the date of abandonment.

- (6) Exhibit VI is a current analysis of the water which will be injected. The injection water is purchased from Getty's Jal Water System. Source of the water is the Capitan Reef. The produced water will be re-injected.
- (7) Exhibit VII is a list of the available surface instantaneous shut-in pressures after fracture treating Myers Langlie Mattix Unit wells. These pressures are based on a hydrostatic column of fresh water equal to a .433 psi/ft. gradient. As can be noted, these pressures vary. Much of this variation is probably due to pressure gauge differences. We therefore averaged all the pressures to account for the gauge differences and came up with an average of approximately 1200 psig. We believe water can be injected up to this surface pressure without causing formation fracturing.
- In the future, if the formation fracturing pressure is determined to be in excess of 1200 psig, supportive information will be submitted.

A copy of this application has been sent to the following off-set operators:

Amoco Production Company
Drawer A
Levelland, Texas 79336

Atlantic Richfield Company
Box 1710
Hobbs, New Mexico 88240

Tom Brown, Inc.
Box 260P
Midland, Texas 79701

Carter Foundation Producing Company
P.O. Box 900
Kermit, Texas 79745

Continental Oil Company
Box 460
Hobbs, New Mexico 88240

El Paso Natural Gas Company
600 Bld. of the Southwest
Midland, Texas 79701

Gulf Energy and Minerals - U.S.
P.O. Box 670
Hobbs, New Mexico 88240

John H. Hendrix Corporation
525 Midland Tower
Midland, Texas 79701

King, Warren & Dye
Box 1505
Midland, Texas 79701

Pearson-Sibert Oil Company of Texas
901 W. Missouri
Midland, Texas 79701

Petroleum Corporation of Texas
Box 911
Breckenridge, Texas 76024

James L. Evans
P.O. Box 900
Padre Island, Texas 78597

Imperial American Management Company
507 Midland Savings Bld.
Midland, Texas 79701

Very truly yours,
ORIGINAL SIGNED BY
DALE R. CROCKETT

Dale R. Crockett
Area Superintendent

ELB/cap

Exhibit VII
List Of Available Instantaneous
Shut-In Pressures After Fracture
Treating Myers Langlie Mattix Unit Wells

PRESSURE INFORMATION

Myers Langlie Mattix Unit
Well No.

Instantaneous Shut-In Pressure
PSIG

9	1000
10	1000
13	1800
14	1500
32	1250
33	1300
35	1150
47	1200
50	1200
55	1150
56	2000
58	1100
65	900
74	1150
77	700
78	1200
83	2400
84	1500
86	1200
87	1000
88	1200
89	1200
93	900
110	1000
111	800
119	1000
121	1600
133	1200
134	1150
141	1000
142	1300
152	1150
156	1100
159	1200
169	1100
170	1300
171	1000
177	1300
178	1250
191	1900
194	1100
199	1200
201	1000

1200 PSIG Average

OPERATION - PROJECT - LEASE			WELL				RBLS. INJECTED	CUMUL. INJECTED	AVG-INJ. PRESS	
			U	S	V	R				
COOPER	JAL	UNIT	130	K	24	245	35E	4520	510844	1050
COOPER	JAL	UNIT	133	K	19	245	37E	7225	496706	1000
COOPER	JAL	UNIT	136	P	44	245	36E	11425	316893	1025
COOPER	JAL	UNIT	139	B	45	245	36E	3660	236712	1075
COOPER	JAL	UNIT	141	D	30	245	37E	5660	500424	1050
COOPER	JAL	UNIT	143	F	45	245	36E	14480	839006	800
COOPER	JAL	UNIT	144	H	25	245	36E	3880	213614	1050
COOPER	JAL	UNIT	145	G	18	245	37E	5525	372526	1000
COOPER	JAL	UNIT	146	I	13	245	36E	3675	210121	1075
COOPER	JAL	UNIT	147	E	19	245	37E	5200	354850	1050
COOPER	JAL	UNIT	148	J	24	245	36E	14040	777956	1050
SKELLY JOHNSON LANGLIE MATTIX WATERFLOOD										
J. C. JOHNSON BATTERY 2										
SKELLY HUGHES FED. LANGLIE-MATTIX FLOOD			4	D	20	235	37E	9795	513454	950
HUGHES FEDERAL			1	P	17	235	37E	11585	479432	1250
HUGHES FEDERAL			3	R	17	235	37E	12325	510927	950
SKELLY MYERS LANGLIE MATTIX UNIT FLOOD										
MYERS	LANGLIE	MATTIX UNIT	3	C	29	235	37E	9208	467180	900
MYERS	LANGLIE	MATTIX UNIT	5	A	30	235	37E	5742	458210	1100
MYERS	LANGLIE	MATTIX UNIT	7	C	30	235	37E	2654	350057	1045
MYERS	LANGLIE	MATTIX UNIT	10	E	25	235	36E	8782	577798	1160
MYERS	LANGLIE	MATTIX UNIT	13	E	30	235	37E	4456	476556	1160
MYERS	LANGLIE	MATTIX UNIT	17	E	29	235	37E	13402	652436	1180
MYERS	LANGLIE	MATTIX UNIT	26	K	29	235	37E	4494	634539	540
MYERS	LANGLIE	MATTIX UNIT	28	I	30	235	37E	6065	308710	1260
MYERS	LANGLIE	MATTIX UNIT	30	K	30	235	37E	3786	93475	1190
MYERS	LANGLIE	MATTIX UNIT	32	I	25	235	36E	3054	387142	1190
MYERS	LANGLIE	MATTIX UNIT	34	K	25	235	36E	10578	552734	960
MYERS	LANGLIE	MATTIX UNIT	35	M	25	235	36E	15101	609061	1020
MYERS	LANGLIE	MATTIX UNIT	37	C	25	235	36E	7487	539856	1040
MYERS	LANGLIE	MATTIX UNIT	39	M	30	235	37E	2288	137599	1240
MYERS	LANGLIE	MATTIX UNIT	43	M	29	235	37E	13112	652781	940
MYERS	LANGLIE	MATTIX UNIT	45	C	29	235	37E	12558	766792	400
MYERS	LANGLIE	MATTIX UNIT	47	M	28	235	37E	10057	667654	800
MYERS	LANGLIE	MATTIX UNIT	50	D	34	235	37E	1908	270029	1125
MYERS	LANGLIE	MATTIX UNIT	53	C	33	235	37E	14956	673873	
MYERS	LANGLIE	MATTIX UNIT	55	A	32	235	37E	16266	791365	
MYERS	LANGLIE	MATTIX UNIT	57	C	32	235	37E	10166	642500	620
MYERS	LANGLIE	MATTIX UNIT	61	C	31	235	37E	6191	553725	1220
MYERS	LANGLIE	MATTIX UNIT	63	A	36	235	36E	8595	661473	900
MYERS	LANGLIE	MATTIX UNIT	65	C	36	235	36E	2376	549620	1080
MYERS	LANGLIE	MATTIX UNIT	67	E	36	235	36E	11385	626802	560
MYERS	LANGLIE	MATTIX UNIT	69	G	36	235	36E	6336	602251	830
MYERS	LANGLIE	MATTIX UNIT	71	E	31	235	37E	11560	624580	1100
MYERS	LANGLIE	MATTIX UNIT	73	G	31	235	37E	10578	552535	1445
MYERS	LANGLIE	MATTIX UNIT	77	G	32	235	37E	13911	641566	
MYERS	LANGLIE	MATTIX UNIT	79	E	33	235	37E	14567	766326	250
MYERS	LANGLIE	MATTIX UNIT	86	L	34	235	37E	2865	173555	175
MYERS	LANGLIE	MATTIX UNIT	87	I	33	235	37E	1238	534320	825
MYERS	LANGLIE	MATTIX UNIT	89	K	33	235	37E	3986	763206	
MYERS	LANGLIE	MATTIX UNIT	91	I	32	235	37E	11075	725156	350
MYERS	LANGLIE	MATTIX UNIT	93	K	32	235	37E	14638	502924	890
MYERS	LANGLIE	MATTIX UNIT	95	I	31	235	37E	2644	515351	1200
MYERS	LANGLIE	MATTIX UNIT	97	K	31	235	37E	5283	505498	1170
MYERS	LANGLIE	MATTIX UNIT	99	E	35	235	36E	7155	603087	620
MYERS	LANGLIE	MATTIX UNIT	101	K	36	235	36E	7481	614575	540
MYERS	LANGLIE	MATTIX UNIT	103	O	36	235	36E	6139	573855	160
MYERS	LANGLIE	MATTIX UNIT	105	A	31	235	37E	7024	631432	
MYERS	LANGLIE	MATTIX UNIT	107	A	31	235	37E	11707	433081	
MYERS	LANGLIE	MATTIX UNIT	109	M	32	235	37E	3529	467334	1180
MYERS	LANGLIE	MATTIX UNIT	111	O	33	235	37E	5226	490737	
MYERS	LANGLIE	MATTIX UNIT	113	K	33	235	37E	13644	729345	625
MYERS	LANGLIE	MATTIX UNIT	115	G	33	235	37E	7143	652840	1100
MYERS	LANGLIE	MATTIX UNIT	130	A	5	245	37E	1095	424204	875
MYERS	LANGLIE	MATTIX UNIT	132	A	5	245	37E	1973	489775	875
MYERS	LANGLIE	MATTIX UNIT	134	A	6	245	37E	8400	393158	
MYERS	LANGLIE	MATTIX UNIT	136	A	6	245	37E	7415	572518	760
MYERS	LANGLIE	MATTIX UNIT	138	A	1	245	36E	7262	612054	450
MYERS	LANGLIE	MATTIX UNIT	140	G	6	245	37E	10139	485573	1160
MYERS	LANGLIE	MATTIX UNIT	142	E	5	245	37E	4554	383924	1290
MYERS	LANGLIE	MATTIX UNIT	144	G	5	245	37E	7974	420674	1375
MYERS	LANGLIE	MATTIX UNIT	146	E	4	245	37E	8334	238562	1400
MYERS	LANGLIE	MATTIX UNIT	152	G	3	245	37E	1079	14209	
MYERS	LANGLIE	MATTIX UNIT	154	E	3	245	37E	1428	335055	1400
MYERS	LANGLIE	MATTIX UNIT	156	G	3	245	37E	14252	255325	
MYERS	LANGLIE	MATTIX UNIT	157	A	3	245	37E	2733	226918	1400
MYERS	LANGLIE	MATTIX UNIT	159	I	3	245	37E	0281	18614	
MYERS	LANGLIE	MATTIX UNIT	163	I	4	245	37E	0275	3066	
MYERS	LANGLIE	MATTIX UNIT	167	I	4	245	37E	1962	314225	1400
MYERS	LANGLIE	MATTIX UNIT	169	K	5	245	37E	4785	351555	1325

BEFORE EXAMINER STAMETS
OIL CONSERVATION DIVISION

EXHIBIT NO. 34

CASE NO.

Submitted by

Hearing Date

OPERATOR--PROJECT--LEASE				WELL	U	S	T	R	BBLS. INJECTED	CUMUL. INJECTED	AVG-INJ. PRESS.
MYERS	LANGLIE	MATTIX	UNIT	171	I	6	24S	37E	7086	532853	1180
MYERS	LANGLIE	MATTIX	UNIT	173	K	6	24S	37E	11208	598357	840
MYERS	LANGLIE	MATTIX	UNIT	175	G	6	24S	37E	10867	556694	1060
MYERS	LANGLIE	MATTIX	UNIT	177	M	5	24S	37E	329	327058	1200
MYERS	LANGLIE	MATTIX	UNIT	179	G	5	24S	37E	2788	272378	1375
MYERS	LANGLIE	MATTIX	UNIT	181	M	4	24S	37E	9379	458367	1400
MYERS	LANGLIE	MATTIX	UNIT	192	C	10	24S	37E	9231	461404	
MYERS	LANGLIE	MATTIX	UNIT	194	A	9	24S	37E	5425	325269	1200
MYERS	LANGLIE	MATTIX	UNIT	196	C	9	24S	37E	8361	435175	1300
MYERS	LANGLIE	MATTIX	UNIT	198	A	8	24S	37E	9853	506270	1150
MYERS	LANGLIE	MATTIX	UNIT	200	C	8	24S	37E	9252	451639	1300
MYERS	LANGLIE	MATTIX	UNIT	202	A	7	24S	37E	8551	556460	1045
MYERS	LANGLIE	MATTIX	UNIT	206	E	12	24S	36E	3	588817	480
MYERS	LANGLIE	MATTIX	UNIT	208	G	12	24S	36E	61	598565	480
MYERS	LANGLIE	MATTIX	UNIT	210	E	7	24S	37E	11734	590407	540
MYERS	LANGLIE	MATTIX	UNIT	214	E	8	24S	37E	5908	510085	100
MYERS	LANGLIE	MATTIX	UNIT	216	E	8	24S	37E	11043	574458	700
MYERS	LANGLIE	MATTIX	UNIT	218	E	9	24S	37E	10924	517620	
MYERS	LANGLIE	MATTIX	UNIT	222	E	10	24S	37E	12784	336198	1075
MYERS	LANGLIE	MATTIX	UNIT	224	G	10	24S	37E	5370	431517	1200
MYERS	LANGLIE	MATTIX	UNIT	228	K	10	24S	37E	6759	530731	1025
MYERS	LANGLIE	MATTIX	UNIT	229	K	9	24S	37E	11859	611590	400
MYERS	LANGLIE	MATTIX	UNIT	231	I	8	24S	37E	6802	632929	660
MYERS	LANGLIE	MATTIX	UNIT	233	K	8	24S	37E	2766	579786	625
MYERS	LANGLIE	MATTIX	UNIT	235	I	7	24S	37E	0381	444793	
MYERS	LANGLIE	MATTIX	UNIT	239	I	12	24S	36E	13736	606742	
MYERS	LANGLIE	MATTIX	UNIT	241	K	12	24S	36E	7553	594779	650
MYERS	LANGLIE	MATTIX	UNIT	244	M	7	24S	37E	3151	480657	880
MYERS	LANGLIE	MATTIX	UNIT	246	G	7	24S	37E	1970	633791	660
MYERS	LANGLIE	MATTIX	UNIT	248	M	8	24S	37E	9848	554347	900
MYERS	LANGLIE	MATTIX	UNIT	250	D	10	24S	37E	6526	610730	750
SKELLY PENROSE A WATERFLOOD PROJECT											
SKELLY	PENROSE	A	UNIT	2	L	34	22S	37E	5850	367870	1900
SKELLY	PENROSE	A	UNIT	4	J	33	22S	37E	2070	106780	2100
SKELLY	PENROSE	A	UNIT	6	L	33	22S	37E	1585	101835	2100
SKELLY	PENROSE	A	UNIT	8	N	33	22S	37E	1600	59625	2100
SKELLY	PENROSE	A	UNIT	10	P	33	22S	37E	4400	326708	2000
SKELLY	PENROSE	A	UNIT	12	N	34	22S	37E	7765	392730	1800
SKELLY	PENROSE	A	UNIT	13	B	3	23S	37E	7090	403935	1800
SKELLY	PENROSE	A	UNIT	17	H	4	23S	37E	7205	368585	1900
SKELLY	PENROSE	A	UNIT	21	B	4	23S	37E	5650	345930	1900
SKELLY	PENROSE	A	UNIT	23	F	3	23S	37E	14010	646475	1500
SKELLY	PENROSE	A	UNIT	26	J	3	23S	37E	15085	682135	1600
SKELLY	PENROSE	A	UNIT	28	L	3	23S	37E	6515	383775	1700
SKELLY	PENROSE	A	UNIT	30	J	4	23S	37E	3715	233965	1700
SKELLY	PENROSE	A	UNIT	32	L	4	23S	37E	3250	182130	1875
SKELLY	PENROSE	A	UNIT	34	N	4	23S	37E	6035	311120	1850
SKELLY	PENROSE	A	UNIT	36	P	4	23S	37E	9105	573880	1800
SKELLY	PENROSE	A	UNIT	38	N	3	23S	37E	3705	309620	1250
SKELLY	PENROSE	A	UNIT	40	P	3	23S	37E	4435	226210	1900
SKELLY	PENROSE	A	UNIT	42	B	10	23S	37E	5760	305760	1900
SKELLY	PENROSE	A	UNIT	44	D	10	23S	37E	5080	336580	1850
SKELLY	PENROSE	A	UNIT	46	B	9	23S	37E	6030	345745	1700
SKELLY	PENROSE	A	UNIT	48	H	9	23S	37E	4195	245670	1950
SKELLY	PENROSE	A	UNIT	50	F	10	23S	37E	8045	386655	1850
SKELLY	PENROSE	A	UNIT	52	H	10	23S	37E	3000	144835	1925
SKELLY	PENROSE	A	UNIT	53	J	10	23S	37E	4900	220935	1500
SKELLY	PENROSE	A	UNIT	55	L	10	23S	37E	3900	217065	1850
SKELLY	PENROSE	A	UNIT	57	J	9	23S	37E	3740	269805	1900
SKELLY	PENROSE	A	UNIT	59	P	9	23S	37E	3590	258960	1000
SKELLY	PENROSE	A	UNIT	61	F	4	23S	37E	6175	307426	2000
SKELLY PENROSE B WATERFLOOD PROJECT											
SKELLY	PENROSE	B	UNIT	1	B	32	22S	37E	S 1 0382	180855	
SKELLY	PENROSE	B	UNIT	3	D	32	22S	37E	S 1 0382	305765	
SKELLY	PENROSE	B	UNIT	5	F	32	22S	37E	S 1 9625	383090	1700
SKELLY	PENROSE	B	UNIT	8	J	32	22S	37E	S 1 0382	387085	
SKELLY	PENROSE	B	UNIT	10	L	32	22S	37E	S 1 1175	37295	
SKELLY	PENROSE	B	UNIT	12	P	31	22S	37E	S 1 4335	283955	1800
SKELLY	PENROSE	B	UNIT	14	N	32	22S	37E	S 1 2465	221592	1800
SKELLY	PENROSE	B	UNIT	16	P	32	22S	37E	S 1 0382	252685	
SKELLY	PENROSE	B	UNIT	17	D	4	23S	37E	S 1 0282	149185	
SKELLY	PENROSE	B	UNIT	19	B	5	23S	37E	S 1 0880	56690	
SKELLY	PENROSE	B	UNIT	21	D	5	23S	37E	S 1 2480	160455	1800
SKELLY	PENROSE	B	UNIT	25	H	6	23S	37E	S 1 6150	261685	1780
SKELLY	PENROSE	B	UNIT	27	F	5	23S	37E	S 1 4900	345345	1600
SKELLY	PENROSE	B	UNIT	29	H	5	23S	37E	S 1 0382	17058	
SKELLY	PENROSE	B	UNIT	32	J	5	23S	37E	S 1 0382	1288	
SKELLY	PENROSE	B	UNIT	34	L	5	23S	37E	S 1 6670	439950	1450
SKELLY	PENROSE	B	UNIT	36	P	6	23S	37E	S 1 6535	462625	1725
SKELLY	PENROSE	B	UNIT	38	N	5	23S	37E	S 1 6510	414312	1725

THE WESTERN COMPANY
Service Laboratory
West Highway 80

Midland, Texas

Phone MU 3-2781 Day or Night

WATER ANALYSIS

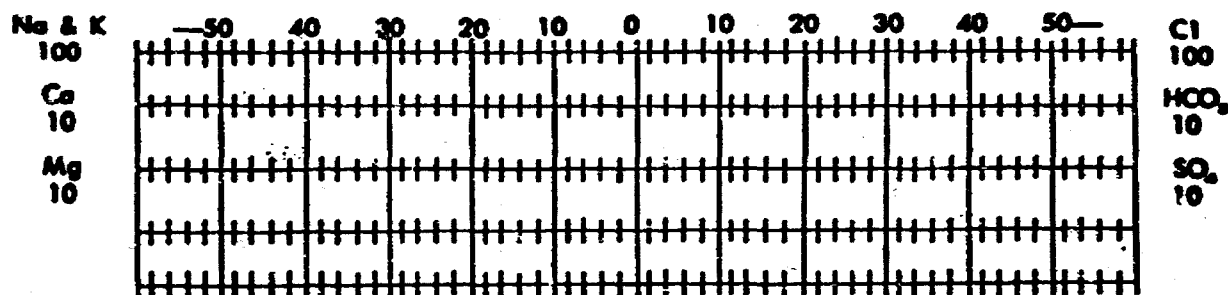
Operator	Carter Foundation	Date Sampled	
Well	Hill No. 7	Date Received	11-14-65
Field	Teague	Submitted by	Kermit District
Formation	Santa Rosa	Worked by	Bob Jones
Depth	661-681'	Other Description	
County	Lee, New Mexico		

CHEMICAL DETERMINATIONS

Density	1.005 @ 75°F.	pH	7.3
Iron	No Trace	Hydrogen Sulfide	None
Sodium and Potassium	900 ppm	Bicarbonate	366 ppm
Calcium	160 ppm	Sulfate	1,500 ppm
Magnesium	140 ppm	Phosphate	ppm
Chloride	800 ppm	as Sodium Chloride	ppm

Remarks:

for Stiff type plot (in meq./l.)



Per _____

BEFORE EXAMINER STARTS
OIL CONSERVATION DIVISION
EXHIBIT NO. 4
CASE NO. _____
Submitted by _____
Hearing Date _____

VIII.

GEOLOGICAL DATA

The wells in this area of the Langile Mattix Pool have encountered oil and gas zones within the Penrose Sand section of the Queen formation. In a 1968 secondary recovery study prepared by Skelly Oil Company (now Getty Oil Company), an east-west cross section depicts the producing zone changes. In this section the westerly wells produce from the Seven Rivers with gradational changes to the east to the Upper Queen and then to the Penrose Sand section of the Lower Queen.

This report also shows that of eight Penrose wells cored, the average permeability was 5.7 millidarcies with an average porosity of 14.2% and a residual oil saturation of 10.1%.

Of the subject injectors, the G. H. Mattix #5 was cored from 3430' to 3633'. The overall pay section was 169' with 58' of net pay. The average porosity was 7.33% with an average permeability of 0.67 millidarcies. In addition, the G. H. Mattix #6 was cored from 3450' to 3605'. The overall pay section of this well was 120' with 41' of net pay. The average porosity was 10.71% with an average permeability of 0.97 millidarcies. The average oil saturation in both of the cored intervals was extremely low, varying from a trace to 20.4%. Volumetric recovery calculations of the oil in place and the recoverable oil are not considered a correct indication of the probable oil reserves. This conclusion is verified by the fact that the six older wells on the G. H. Mattix Lease through the year of 1981 had produced approximately 302,000 barrels or 50,330 barrels of oil per well. It must be assumed that either at the time the Carter Foundation Production Company cores were taken, the degree of reservoir depletion created the low oil saturations, or that fractures within the Penrose are an important part of the reservoir oil voidage. The lithology of the subject wells consists of interbedded sand in dolomite and sandy dolomite. The oil pay occurrence is both in the sand and dolomite facies.

✓ The depth of the presently produced drinkable water well within a mile of these proposed injection wells is 120'. In the southwest part of Unit D, Section 35, T-23-S, R-37-E, the Carter Foundation Production Company has developed a Santa Rosa water supply well at a depth of 681'. The water produced from this well is not considered potable.

BEFORE EXAMINER STAMETS	
OIL CONSERVATION DIVISION	
EXHIBIT NO.	5
CASE NO.	
Submitted by	
Hearing Date	

IX.

PROPOSED STIMULATION

The G. H. Mattix #2 well was "shot" with 620 quarts of nitroglycerine in February of 1951. Subsequently, in June 1957 the well was fraced with 20,000 gallons/1-1/2# sand per gallon. The #5 well in November 1961 was acidized and later fraced with 30,000 gallons/1-1/2# sand per gallon. The #6 well in November 1961 was acidized and later fraced with 37,500 gallons of lease crude with 56,250# sand.

No additional stimulation is anticipated unless the injection pressures prove excessive.

BEFORE EXAMINER STAMETS
OIL CONSERVATION DIVISION

CASE NO. 6

Submitted by _____

Hearing Date _____

X.

WELL TEST DATA
(Taken from Scheduled GOR Tests)

<u>Operator, Lease & Well No.</u>	<u>Date of Test</u>	<u>Length of Test, Hrs.</u>	<u>Production During Test</u>			
			<u>Water Bbls.</u>	<u>Oil Bbls.</u>	<u>Gas MCF</u>	<u>GOR Cu.Ft./Bbl.</u>
Carter Foundation Production Company G. H. Mattix Federal (032339) Well #2 3-24S-37E (Unit C)						
						Closed In
G. H. Mattix Federal (032339) Well #5 3-24S-37E (Unit E)	2-10-82	24	1	1.38	3.4	2463
G. H. Mattix Federal (032339) Well #6 3-24S-37E (Unit O)						
						Closed In

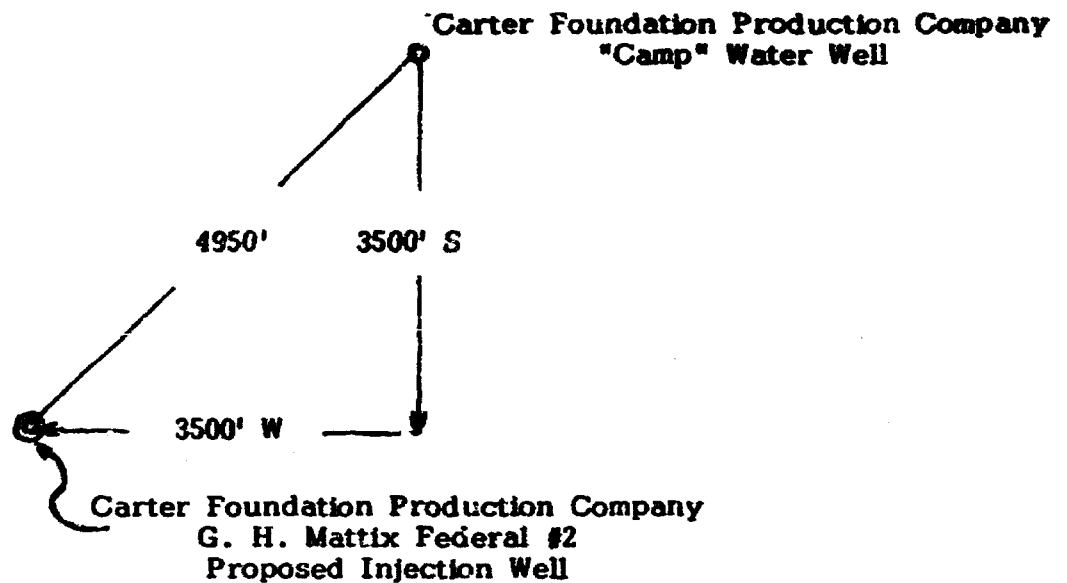
No well logs are available on these wells.

REPORT OF WELL TESTS
OIL CONSERVATION DIVISION
EXHIBIT NO. 7
CASE NO. _____
Submitted by _____
Hearing Date _____

XI.

LOCATION OF FRESH WATER WELL

Only one fresh water well is within a one-mile radius of one of the proposed injection wells. This well is used for domestic water for the Carter Foundation Production Company camp and is located in the southwest corner of Unit E, Section 35, T-23-S, R-37-E in the camp area. The well is pumped by a downhole centrifugal pump at an approximate depth of 120'.



BEFORE EXAMINER STAMETS
OIL CONSERVATION DIVISION
EXHIBIT NO. 82-b

CASE NO. _____

Submitted by _____

Hearing Date _____



OFFICE & PLANT
18301 WEST UNIVERSITY

P. O. BOX 9708
ODDESSA, TEXAS 79708

918/381-2393

WATER ANALYSIS REPORT

COMPANY CARTER FOUNDATION ADDRESS JAL, NEW MEXICO
LEASE H₂O WELL DATE SAMPLED 7/1/82

ANALYSIS	PPM or Mg/L	PPM or Meq./L	Ionic P P M	
1. PH	7.35			
2. H ₂ S	Neg.			
3. CO ₂	Pos.			
4. Specific Gravity	1.0002			
5. Phenol Alkalinity (C=CO ₂)	0.0			
6. M.P. Alkalinity (C=CO ₂)	60.0			
7. Bicarbonate (C=CO ₂)	60.0	1.2	HCO ₃	73.2
8. Chlorides (Cl)	200.0	5.6	CL	200.0
9. Sulphates (SO ₄)	425.0	8.9	SO ₄	425.0
10. Total Hardness (C=CO ₂)	375.0			
11. Calcium (C=CO ₂)	275.0	5.5	Ca	110.0
12. Magnesium (C=CO ₂)	100.0	2.0	Mg	24.4
13. Sodium (Na)		8.2	Na	188.6
14. Barium (Ba)			Ba	8.0
15. Iron (Fe)				TRACE
16. Total Dissolved Solids				1,029.2

Remarks: _____

Lorne Stahl
REPRESENTATIVE

Chemicals for the Petroleum Industry

AFFIDAVIT OF PUBLICATION

COUNTY OF LEA I
STATE OF NEW MEXICO I

I, Robert L. Summer PUBLISHER
Name Title

of the Hobbs News Sun, a daily newspaper published at Hobbs, New Mexico, do solemnly swear that the clipping hereto attached was published for a period of One Day in the issue dated 1982.

Sworn and subscribed to before me this 28TH day of JUNE 1982.

Lynette Hargreaves
Notary Public

My commission expires March 29 19 86.

LEGAL NOTICE

JUNE 22, 1982

The Carter Foundation Production Company intends to convert for secondary recovery purposes their G. H. Mattox Federal #2, #5 and #6 to water injection wells. These wells are located in Section 3, Township 34-South, Range 37-East, Langlie Mattox 7-Rivers Queen Grayburg Field, Lea County, New Mexico.

The injection interval is in the Pennsylvanian Queen formation at the following depths: Well #2 3308'-3405' (Open Hole); Well #5 3405'-3614' (Perforations); and, Well #6 3408'-3646' (Perforations). The maximum anticipated injection rate is 12,400 barrels per well per month at 1800 psi. Maximum anticipated volume is 400 barrels per well per day.

Interested parties must file objections or requests for hearing with the Oil Conservation Division, P. O. Box 2002, Santa Fe, New Mexico 87501 within 15 days.

BEFORE EXAMINER STAMETS
OIL CONSERVATION DIVISION

EXHIBIT NO. 9

CASE NO.

Submitted by

Hearing Date

ROBERT D. FITTING & ASSOCIATES, INC.

Petroleum Engineering & Geological Consultants

MIDLAND, TEXAS 79701

July 7, 1982

CERTIFIED - RETURN RECEIPT

Getty Oil Company
P. O. Box 1231
Midland, Texas 79702

Re: Carter Foundation Production Company,
G. H. Mattix Federal #2, #5 and #6,
Section 3, T-24-S, R-37-E,
Lea County, New Mexico

Gentlemen:

The Carter Foundation Production Company is in the process of making application to convert the above wells to water injection service. The New Mexico Oil Conservation Division requires that a copy of this application be furnished all offset operators. The enclosed application is being mailed this date to the New Mexico Oil Conservation Division in Santa Fe.

Should you have any questions concerning this application, you may contact us at the address shown above.

Yours very truly,

CARTER FOUNDATION PRODUCTION COMPANY

By:


Robert D. Fitting, Agent

RDF:jd
Encl -

ROBERT D. FITTING & ASSOCIATES, INC.

Petroleum Engineering & Geological Consultants

MIDLAND, TEXAS 79701

July 7, 1982

CERTIFIED - RETURN RECEIPT

Pearson-Sibert Oil Co. of Texas
901 W. Missouri
Midland, Texas 79701

Re: Carter Foundation Production Company,
G. H. Mattix Federal #2, #5 and #6,
Section 3, T-24-S, R-37-E,
Lea County, New Mexico

Gentlemen:

The Carter Foundation Production Company is in the process of making application to convert the above wells to water injection service. The New Mexico Oil Conservation Division requires that a copy of this application be furnished all offset operators. The enclosed application is being mailed this date to the New Mexico Oil Conservation Division in Santa Fe.

Should you have any questions concerning this application, you may contact us at the address shown above.

Yours very truly,

CARTER FOUNDATION PRODUCTION COMPANY

By:


Robert D. Fitting, Agent

RDF:jd
Encl -

ROBERT D. FITTING & ASSOCIATES, INC.

Petroleum Engineering & Geological Consultant

MIDLAND, TEXAS 79701

July 7, 1982

CERTIFIED - RETURN RECEIPT

Mr. Bill Grobe
P. O. Drawer "G"
Jal, New Mexico 88252

Re: Carter Foundation Production Company,
G. H. Mattix Federal #2, #5 and #6,
Section 3, T-24-S, R-37-E,
Lea County, New Mexico

Dear Mr. Grobe:

The Carter Foundation Production Company is in the process of making application to convert the above wells to water injection service. The New Mexico Oil Conservation Division requires that a copy of this application be furnished you as surface owner under this lease. The enclosed application is being mailed this date to the New Mexico Oil Conservation Division in Santa Fe.

Should you have any questions concerning this application, you may contact us at the address shown above.

Yours very truly,

CARTER FOUNDATION PRODUCTION COMPANY

By: Robert D. Fitting
Robert D. Fitting, Agent

RDF:jd
Encl -

ROBERT D. FITTING & ASSOCIATES, INC.

Petroleum Engineering & Geological Consultants

MIDLAND, TEXAS 79701

July 7, 1982

CERTIFIED - RETURN RECEIPT

Mr. Jimmy Doom
Doom Ranch
Jal, New Mexico 88252

Re: Carter Foundation Production Company,
G. H. Mattix Federal #2, #5 and #6,
Section 3, T-24-S, R-37-E,
Lea County, New Mexico

Dear Mr. Doom:

The Carter Foundation Production Company is in the process of making application to convert the above wells to water injection service. The New Mexico Oil Conservation Division requires that a copy of this application be furnished you as surface owner under this lease. The enclosed application is being mailed this date to the New Mexico Oil Conservation Division in Santa Fe.

Should you have any questions concerning this application, you may contact us at the address shown above.

Yours very truly,

CARTER FOUNDATION PRODUCTION COMPANY

By: Robert D. Fitting
Robert D. Fitting, Agent

RDF:jd
Encl -

P 265 320 205

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL
(See Reverse)

SENT TO:		Getty Oil Company
STREET AND NO.		P. O. Box 1231
P.O. STATE AND ZIP CODE		Midland, TX 79702
POSTAGE		\$ 1.05
CONSULT POSTMASTER FOR FEES	CERTIFIED FEE	0.75
	SPECIAL DELIVERY	
	RESTRICTED DELIVERY	
	OPTIONAL SERVICES	
	RETURN RECEIPT SERVICE	0.60
	SHOW TO WHOM AND DATE DELIVERED	
SHOW TO WHOM, DATE, AND ADDRESS OF DELIVERY		
SHOW TO WHOM AND DATE DELIVERED WITH RESTRICTED DELIVERY		
TOTAL POSTAGE AND FEES		\$ 2.40
POSTMARK OR DATE		
7-7-82		

PS Form 3800, Apr. 1976

P 265 320 206

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL
(See Reverse)

SENT TO:		Pearson-Sibert Oil Co.
STREET AND NO.		901 W. Missouri
P.O. STATE AND ZIP CODE		Midland, TX 79701
POSTAGE		\$ 1.05
CONSULT POSTMASTER FOR FEES	CERTIFIED FEE	0.75
	SPECIAL DELIVERY	
	RESTRICTED DELIVERY	
	OPTIONAL SERVICES	
	RETURN RECEIPT SERVICE	0.60
	SHOW TO WHOM AND DATE DELIVERED	
SHOW TO WHOM, DATE, AND ADDRESS OF DELIVERY		
SHOW TO WHOM AND DATE DELIVERED WITH RESTRICTED DELIVERY		
TOTAL POSTAGE AND FEES		\$ 2.40
POSTMARK OR DATE		
7-7-82		

PS Form 3800, Apr. 1976

P 265 320 208

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL
(See Reverse)

SENT TO:		Jimmy Doom
STREET AND NO.		Doom Ranch
P.O. STATE AND ZIP CODE		Jal, NM 88252
POSTAGE		\$ 1.05
CONSULT POSTMASTER FOR FEES	CERTIFIED FEE	0.75
	SPECIAL DELIVERY	
	RESTRICTED DELIVERY	
	OPTIONAL SERVICES	
	RETURN RECEIPT SERVICE	0.60
	SHOW TO WHOM AND DATE DELIVERED	
SHOW TO WHOM, DATE, AND ADDRESS OF DELIVERY		
SHOW TO WHOM AND DATE DELIVERED WITH RESTRICTED DELIVERY		
TOTAL POSTAGE AND FEES		\$ 2.40
POSTMARK OR DATE		
7-7-82		

PS Form 3800, Apr. 1976

P 265 320 207

RECEIPT FOR CERTIFIED MAIL

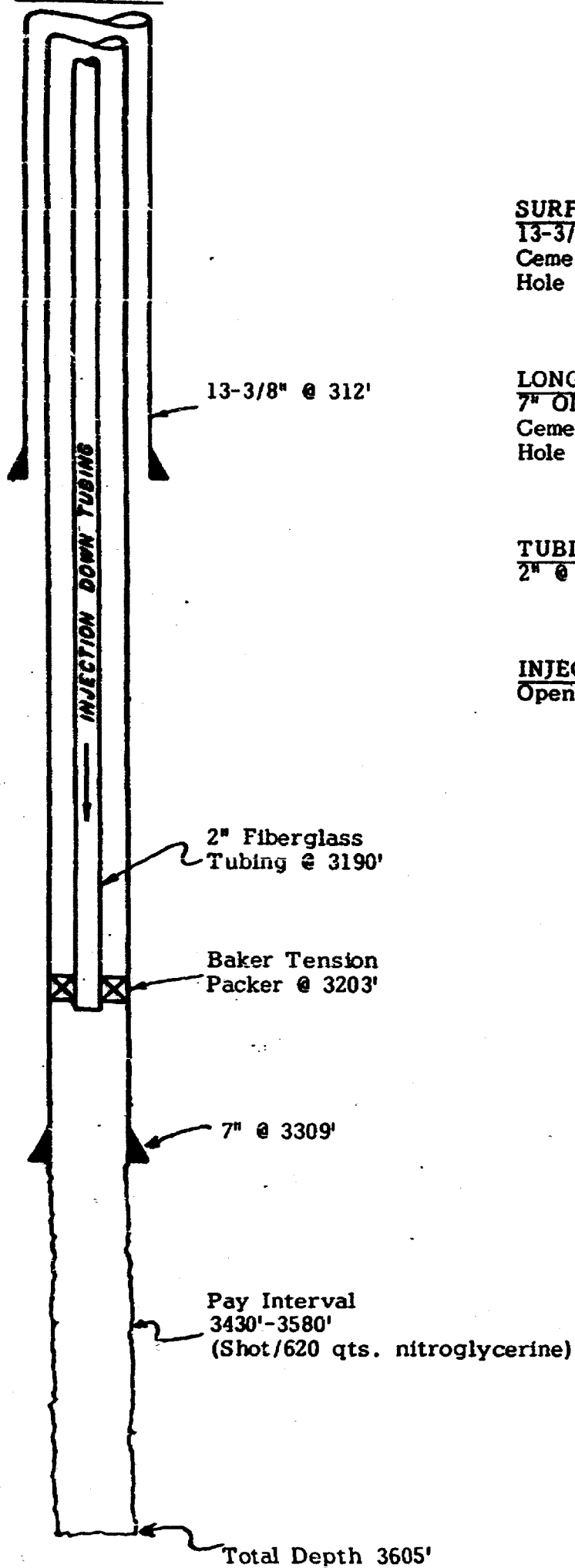
NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL
(See Reverse)

SENT TO:		Bill Grobe
STREET AND NO.		P. O. Drawer "G"
P.O. STATE AND ZIP CODE		Jal, NM 88252
POSTAGE		\$ 1.05
CONSULT POSTMASTER FOR FEES	CERTIFIED FEE	0.75
	SPECIAL DELIVERY	
	RESTRICTED DELIVERY	
	OPTIONAL SERVICES	
	RETURN RECEIPT SERVICE	0.60
	SHOW TO WHOM AND DATE DELIVERED	
SHOW TO WHOM, DATE, AND ADDRESS OF DELIVERY		
SHOW TO WHOM AND DATE DELIVERED WITH RESTRICTED DELIVERY		
TOTAL POSTAGE AND FEES		\$ 2.40
POSTMARK OR DATE		
7-7-82		

PS Form 3800, Apr. 1976

INJECTION WELL DATA SHEET

CARTER FOUNDATION PRODUCTION COMPANY
G. H. MATTIX FEDERAL WELL NO. 2
658' FNL & 1964' FWL, SECTION 3, T-24S, R-37E,
LEA COUNTY, NEW MEXICO

SCHEMATICTUBULAR DATASURFACE CASING

13-3/8" OD 48# H-40 smls casing set @ 312'.
 Cemented with 175 sx-circulated.
 Hole Size: 16"

LONG STRING

7" OD 20# H-40 smls casing set @ 3309'.
 Cemented with 875 sx-circulated.
 Hole Size: 8-3/4"

TUBING

2" @ 3190'

INJECTION INTERVAL

Open Hole: 3309'-3605'

NEW MEXICO STATE
 OIL CONSERVATION DIVISION

EXHIBIT NO. 10

CASE NO. _____

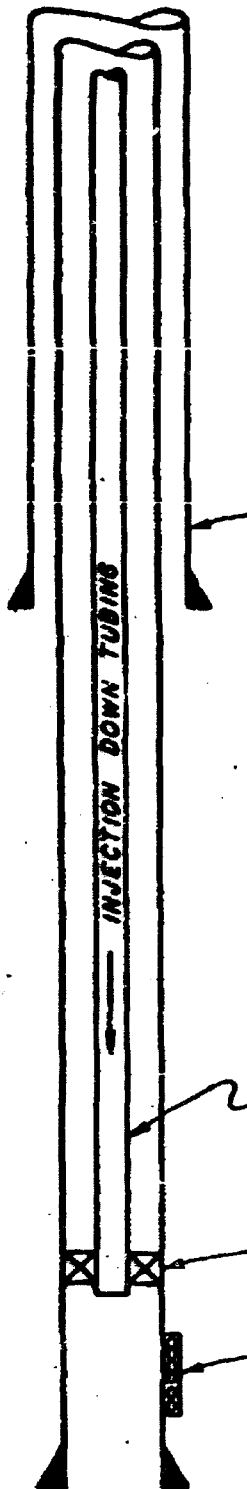
Sub No. _____

III.

INJECTION WELL DATA SHEET

CARTER FOUNDATION PRODUCTION COMPANY
G. H. MATTIX FEDERAL WELL NO. 5
1969.5' FNL & 655.8' FWL, SECTION 3, T-24S, R-37E.
LEA COUNTY, NEW MEXICO

SCHEMATIC



TUBULAR DATA

SURFACE CASING

9-5/8" 32.30# H-40 casing set @ 308'.
 Cemented with 300 sx-circulated.
 Hole Size: 12-1/4"

LONG STRING

7" 20# J-55 casing set @ 3665'.
 Cemented with 900 sx-circulated.
 Hole Size: 8-3/4"

TUBING

2" @ 3393'

INJECTION INTERVAL

3496'-3614'

2" Fiberglass
 Tubing @ 3393'

Baker Tension
 Packer @ 3412'

Perforated Interval
 3496' - 3614'

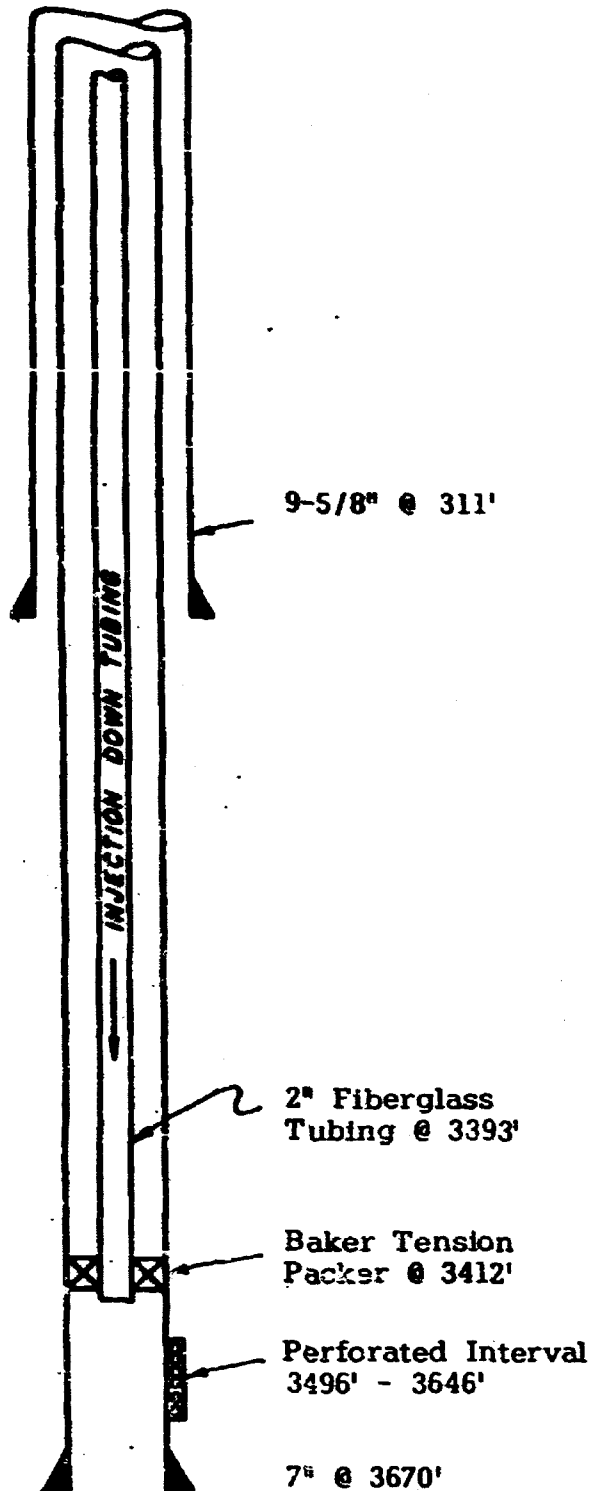
7" @ 3665'

Total Depth - 3667'

III.

CARTER FOUNDATION PRODUCTION COMPANY
G. H. MATTIX FEDERAL WELL NO. 6
660' FSL & 1982' FEL, SECTION 3, T-24-S, R-37-E,
LEA COUNTY, NEW MEXICO

SCHEMATIC



TUBULAR DATA

SURFACE CASING

9-5/8" 32.30# H-40 casing set @ 311'.
Cemented with 300 sx-circulated.
Hole Size: 12-1/4"

LONG STRING

7" 20# J-55 casing set @ 3670'.
Cemented with 1000 sx-circulated.
Hole Size: 8-3/4"

TUBING

2" @ 3393'

INJECTION INTERVAL

3496'-3646'

BEFORE EXAMINER STAMETS
OIL CONSERVATION DIVISION

Submitted by _____

Hearing Date _____

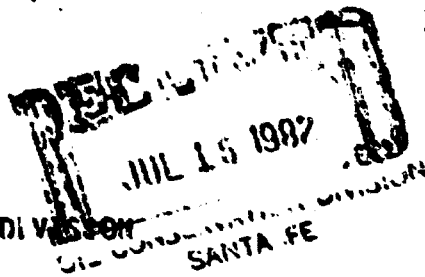
III.

INJECTION WELL DATA SHEET (Page 2)

1. The name of the injection zone is the Penrose Sand of the Queen formation.
2. The name of the field is the Langlie Mattix (Seven-Rivers Queen Grayburg).
3. These wells were not drilled for water injection service but were originally Langlie Mattix Pool oil wells. The G. H. Mattix Federal, Well No. 2 was completed on February 21, 1951; Well No. 5 was completed on November 15, 1961; and, Well No. 6 was completed on November 30, 1961. No records of the Permit to Drill dates are available.
4. These wells have never produced from any zone except the Penrose Sand from 3309' to 3646'.
5. The underlying oil and gas pools in this area are as follows:

<u>Pool</u>	<u>Average Producing Depth</u>	<u>Township</u>	<u>Range</u>
Teague Blinebry	5300'	23-S	37-E
Teague Abo	6700'	23-S	37-E
Teague Devonian	7300'	23-S	37-E
Teague Simpson	9200'	23-S	37-E
Teague Ellenburger (Depleted)	9500'	23-S	37-E

OIL CONSERVATION DIVISION
DISTRICT 1



OIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

DATE July 9, 1982

RE: Proposed MC _____
Proposed DHC _____
Proposed NSL _____
Proposed NSP _____
Proposed SNO _____
Proposed WFA X _____
Proposed PHX _____

Gentlemen:

I have examined the application for the:

Carter Foundation Prod. Co. G. H. Mattix #2-C, #5-E, #6-0 3-24-37
Operator Lease and Well No. Unit, S - T - R

and my recommendations are as follows:

O.K.-----J.S.

Yours very truly,

/mc

BEFORE THE HONORABLE STATE OIL CONSERVATION DIVISION
CASE NO. <u>11</u>
Submitted by _____
Hearing Date _____

ROBERT D. FITTING & ASSOCIATES, INC.
Petroleum Engineering & Geological Consultants
MIDLAND, TEXAS 79701

July 22, 1982

7-30

well 150' SE of Getty well sec. 4
has not been produced in about
20 years

Mr. Roy Johnson
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: Application to Convert to Injection
Carter Foundation Production Company,
G. H. Mattix Federal #2, #5 and #6,
Lea County, New Mexico

Dear Mr. Johnson:

Mr. Carl Manske with the Carter Foundation Production Company has inspected the area surrounding the captioned wells for which we have made application to convert to injection.

It is our belief that the enclosed plat correctly reflects the location of all water wells and windmills in the area.

Please advise if additional information is required.

Yours very truly,

Robert D. Fitting
Robert D. Fitting *for*

RDF:jd
Encl -

4 of El Paso

12

BEFORE EXAMINER, TALETS OIL CONSERVATION DIVISION
EXHIBIT NO. <u>12</u>
CASE NO. _____
Submitted by _____
Hearing Date _____

Jockets Nos. 29-82 and 30-82 are tentatively set for September 15 and September 29, 1982. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: COMMISSION HEARING - THURSDAY - AUGUST 26, 1982

OIL CONSERVATION COMMISSION - 9 A.M.
MORGAN HALL, STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO

CASE 7656: Application of Cities Service Company for determination of reasonable well costs, Lea County, New Mexico. Applicant, in the above-styled cause, pursuant to the provisions of Section 70-2-17 C, NMSA, 1978 Comp., and Paragraph (5) of Division Order No. R-6781, seeks a determination of reasonable well costs for two wells drilled under the provisions of said Order No. R-6781 by Doyle Hartman on lands pooled by said order.

CASE 7657: Application of Harvey E. Yates Company for non-rescission of Order No. R-6873, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks the non-rescission of Order No. R-6873, which order pooled certain lands to be dedicated to a proposed Ordovician test well to be drilled thereon, being the W/2 of Section 18, Township 9 South, Range 27 East. Said order provided that should the unit well not be drilled to completion, or abandonment, within 120 days after commencement thereof, operator shall appear and show cause why the pooling order should not be rescinded.

CASE 7658: Application of Harvey E. Yates Company for a dual completion and downhole commingling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Seymour State #1 located in Section 18, Township 9 South, Range 27 East, in such a manner that Abo perforations from 4912 feet to 4929 feet would be commingled with Upper Atoka perforations from 5926 feet to 5952 feet and the aforesaid intervals dually completed with Lower Atoka perforations from 6008 feet to 6048 feet and produced through parallel strings of tubing.

Docket No. 28-82

DOCKET: EXAMINER HEARING - WEDNESDAY - SEPTEMBER 1, 1982

OIL CONSERVATION DIVISION - 9 A.M., MORGAN HALL,
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Richard L. Stamets, Examiner, or Daniel S. Mutter, Alternate Examiner:

CASE 7635: (Continued from August 18, 1982, Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Division on its own motion to permit CO₂-In-Action, Travelers Indemnity and all other interested parties to appear and show cause why the Trigg Well No. 3 located in Unit J, Section 25, Township 15 North, Range 28 East, San Miguel County, should not be plugged and abandoned in accordance with a Division-approved plugging program.

CASE 7636: (Continued from August 18, 1982, Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Division on its own motion to permit CO₂-In-Action, Travelers Indemnity and all other interested parties to appear and show cause why the Amistad No. 1 located in Unit E of Section 18, and the Amistad No. 2 located in Unit D of Section 7, both in Township 19 North, Range 36 East, Union County, should not be plugged and abandoned in accordance with a Division-approved plugging program.

CASE 7659: Application of Sun Exploration and Production Company for an unorthodox gas well location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a Pennsylvanian gas well drilled 660 feet from the North and West lines of Section 21, Township 7 South, Range 26 East, the N/2 of said Section 21 to be dedicated to the well.

CASE 7660: Application of Pauley Petroleum, Inc. for salt water disposal, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the San Andres formation in the perforated interval from 3862 feet to 3874 feet in its State Well No. 1 located in Unit B of Section 16, Township 7 South, Range 33 East.

CASE 7661: Application of George Sardella and Gary Plemans for an oil treating plant permit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority for the construction and operation of an oil treating plant for the purpose of treating and reclaiming sediment oil at a site in the NW/4 NW/4 of Section 33, Township 16 South, Range 33 East.

CASE 7630: (Continued from August 4, 1982, Examiner Hearing)

Application of Ralph Mix for an oil treating plant permit, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority for the construction and operation of an oil treating plant for the purpose of treating and reclaiming sediment oil at a site in the SW/4 NE/4 of Section 18, Township 19 South, Range 26 East.

CASE 7662: Application of Carter Foundation Production Company for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to expand its Blaine-Cada Waterflood Project by converting its Mattix Federal Wells Nos. 2, 5, 6, located in Units C, E, and D, respectively, in Section 3, Township 24 South, Range 37 East, by the injection of water into the Queen formation.

CASE 7639: (Continued from August 18, 1982 Examiner Hearing)

Application of Acoma Oil Corporation for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Wantz Abo, Drinkard and Blinbry Pool production in the wellbore of its S. J. Starkeys Lease Well No. 2, located in Unit B of Section 26, Township 21 South, Range 37 East.

CASE 7663: Application of Dugan Production Corporation for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Dakota formation underlying the S/2 of Section 18, Township 30 North, Range 14 West, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 7568: (Continued and Readvertized)

Application of Petroleum Corp. of Delaware for a dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Superior Federal Well No. 6 located in Unit N of Section 6, Township 20 South, Range 29 East, East Burton Flat Field, to produce oil from the Strawn formation through the casing-tubing annulus and gas from the Morrow formation through tubing.

CASE 7651: (Continued from August 18, 1982, Examiner Hearing)

Application of Mortex Gas & Oil Company for the amendment of Order No. R-6903, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Division Order No. R-6903 to provide that non-consenting working interest owners shall have thirty days following final adjudication of title in which to pay their proportionate share of well costs.

CASE 7664: Application of Yates Petroleum Corporation for a unit agreement, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Little Cuevo Unit Area, comprising 13,407 acres, more or less, of State and Fee lands in Township 17 South, Range 18 East.

CASE 7655: (Continued from August 18, 1982 Examiner Hearing)

Application of Yates Petroleum Corporation for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface down through the Abo formation underlying the NW/4 of Section 20, Township 7 South, Range 26 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 7665: Application of Harvey E. Yates Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Mississippian formation underlying the W/2 of Section 35, Township 13 South, Range 35 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASES 7666, 7667, 7668, and 7669: Application of Yates Petroleum Corporation for compulsory pooling, Chaves County, New Mexico. Applicant, in each of the four following cases, seeks an order pooling all mineral interests down through the Abo formation underlying the lands specified in each case, each to form a standard 160-acre gas spacing and proration unit to be dedicated to a well to be drilled at a standard location thereon. Also to be considered in each case will be the cost of drilling and completing said wells and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells and a charge for risk involved in drilling said wells:

CASE 7666: SW/4 Section 3;

CASE 7667: NW/4 Section 4;

CASE 7668: NW/4 Section 14;

All of the above being in Township 5 South, Range 24 East and

CASE 7669: NW/4 Section 2, Township 9 South, Range 25 East

CASE 7670: Application of Yates Petroleum Corporation for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Morrow formation underlying the W/2 of Section 26, Township 14 South, Range 27 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 7648: (Continued from August 18, 1982 Examiner Hearing)

Application of Rio Pecos Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the top of the Wolfcamp to the base of the Pennsylvanian formation underlying the W/2 of Section 35, Township 18 South, Range 24 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 7642: Application of Doyle Hartman for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface through the Jalmat Pool, underlying a previously approved 120-acre non-standard proration unit comprising the S/2 NE/4 and NE/4 NE/4 of Section 20, Township 25 South, Range 37 East, to be dedicated to a well to be drilled at a previously approved unorthodox location. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 7671: Application of Texas Eastern Developments, Inc. for an exception to Rule 307, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Rule 307 of the Division Rules and Regulations to permit it to draw a vacuum on the Shiprock Gallup Oil Pool reservoir through 16 wells in Sections 16 and 17, Township 29 North, Range 18 West. Applicant further seeks an administrative procedure whereby it could extend the proposed vacuum system to include additional wells in the same reservoir.

CASE 7649: Application of Southern Union Exploration Company for retroactive exemption, San Juan and Rio Arriba Counties, New Mexico. Applicant, in the above-styled cause, seeks the retroactive exemption from Section 5 of the New Mexico Natural Gas Pricing Act of the following Basin Dakota infill wells: Jicarilla A No. 13-E in Unit W of Section 13 and Jicarilla A No. 10-E in Unit G of Section 23, both in Township 26 North, Range 4 West, and Jicarilla K No. 15-E in Unit A of Section 1, Township 25 North, Range 5 West, all in Rio Arriba County, and the Hodges No. 15-E in Unit J of Section 27, Township 26 North, Range 8 West in San Juan County. Also the following Ballard-Pictured Cliffs replacement well in San Juan County: Newsom No. 10-R in Unit M of Section 20, Township 26 North, Range 8 West. Each of the aforesaid wells was subject to the New Mexico Natural Gas Pricing Act until exempted from same by the Division on July 23, 1982, and applicant seeks the retroactive exemption of each of said wells to date of first delivery into the pipeline which ranges from December 24, 1980 to January 11, 1982.

CASE 7672: In the matter of the hearing called by the Oil Conservation Division on its own motion for an order creating, assigning discovery allowable, contracting, and extending certain pools in Chaves, Eddy, Lea, and Roosevelt Counties, New Mexico:

- (a) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Brushy Canyon production and designated as the Brushy Draw-Brushy Canyon Pool. Further, to assign approximately 25,410 barrels of discovery allowable to the discovery well, the J. C. Williamson JCBMW Federal Well No. 1 located in Unit M of Section 25, Township 26 South, Range 29 East, NMPM. Said pool would comprise:

TOWNSHIP 26 SOUTH, RANGE 29 EAST, NMPM
Section 25: SW/4

- (b) CREATE a new pool in Lea County, New Mexico classified as an oil pool for San Andres production and designated as the Hobbs Channel-San Andres Pool. The discovery well is the Bass Enterprises Production Company Humble City Unit Well No. 1 located in Unit D of Section 36, Township 17 South, Range 37 East, NMPM. Said pool would comprise:

TOWNSHIP 17 SOUTH, RANGE 37 EAST, NMPM
Section 36: NW/4

- (c) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Morrow production and designated as the Humphreys Hill-Morrow Gas Pool. The discovery well is the Florida Exploration Company Reno Com Well No. 1 located in Unit D of Section 11, Township 25 South, Range 35 East, NMPM. Said pool would comprise:

TOWNSHIP 25 SOUTH, RANGE 35 EAST, NMPM
Section 11: N/2

- (d) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Abo production and designated as the Justis-Abo Pool. The discovery well is the Santa Fe Energy Company Carlson B-25 Federal Well No. 3 located in Unit O of Section 25, Township 25 South, Range 37 East, NMPM. Said pool would comprise:

TOWNSHIP 25 SOUTH, RANGE 37 EAST, NMPM
Section 25: SE/4

- (e) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Upper Pennsylvanian production and designated as the McMillan-Upper Pennsylvanian Gas Pool. The discovery well is the Southland Royalty Company Pecos River Federal 20 Com Well No. 1 located in Unit J of Section 20, Township 19 South, Range 27 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 27 EAST, NMPM
Section 20: E/2

- (f) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Strawn production and designated as the Mosley Canyon-Strawn Gas Pool. The discovery well is W. A. Moncrief, Jr., Jurnegan State Well No. 1 located in Unit C of Section 8, Township 24 South, Range 25 East, NMPM. Said pool would comprise:

TOWNSHIP 24 SOUTH, RANGE 25 EAST, NMPM
Section 8: N/2

- (g) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Tubb production and designated as the West Nadine-Tubb Pool. The discovery well is the Tamarack Petroleum Company, Inc. Kornegay A Well No. 1 located in Unit F of Section 9, Township 20 South, Range 38 East, NMPM. Said pool would comprise:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM
Section 9: NW/4

- (h) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Morrow production and designated as the Pitchfork Ranch-Morrow Gas Pool. The discovery well is the HSG Oil Company Madera 32 State Com Well No. 1 located in Unit C of Section 32, Township 24 South, Range 34 East, NMPM. Said pool would comprise:

TOWNSHIP 24 SOUTH, RANGE 34 EAST, NMPM
Section 32: N/2

- (i) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Yesso production and designated as the Seven Rivers-Yesso Pool. The discovery well is Chama Petroleum Corporation Irami Federal Well No. 1 located in Unit N of Section 34, Township 19 South, Range 25 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 25 EAST, NMPM
Section 34: SW/4

- (j) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Abo production and designated as the East Svaggs-Abo Pool. The discovery well is the Texaco Inc. C. H. Weir A Well No. 12 located in Unit G of Section 12, Township 20 South, Range 37 East, NMPM. Said pool would comprise:

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM
Section 12: NE/4

- (k) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Tubb production and designated as the Teague-Tubb Pool. The discovery well is the Alpha Twenty-One Production Company Lea Well No. 2 located in Unit A of Section 17, Township 23 South, Range 37 East, NMPM. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 37 EAST, NMPM
Section 17: NE/4

- (l) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Devonian production and designated as the Townsend-Devonian Pool. The discovery well is the Kimbark Oil and Gas Company New Mexico 1-4 State Com Well No. 1 located in Unit W of Section 4, Township 16 South, Range 35 East, NMPM. Said pool would comprise:

TOWNSHIP 16 SOUTH, RANGE 35 EAST, NMPM
Section 4: Lots 11, 12, 13, and 14

- (m) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Bone Spring production and designated as the Welch-Bone Spring Pool. The discovery well is the Quanah Petroleum, Inc. Hay B Federal Com Well No. 1 located in Unit K of Section 9, Township 26 South, Range 27 East, NMPM. Said pool would comprise:

TOWNSHIP 26 SOUTH, RANGE 27 EAST, NMPM
Section 9: SW/4

- (n) CONTRACT the horizontal limits of the Buckeye-Abo Pool in Lea County, New Mexico, by the deletion of the following described area:

TOWNSHIP 18 SOUTH, RANGE 35 EAST, NMPM
Section 3: W/2 NW/4

- (o) CONTRACT the horizontal limits of the Vacuum-Abo Reef Pool in Lea County, New Mexico, by the deletion of the following described area:

TOWNSHIP 18 SOUTH, RANGE 35 EAST, NMPM
Section 3: E/2 NW/4

- (p) EXTEND the Antelope Sink-Upper Pennsylvanian Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 23 EAST, NMPM
Section 13: W/2
Section 14: N/2

- (q) EXTEND the West Arkansas Junction-San Andres Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 36 EAST, NMPM
Section 20: NW/4

- (r) EXTEND the Atoka-Yeso Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 26 EAST, NMPM
Section 26: E/2

- (s) EXTEND the Bilbrey-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 32 EAST, NMPM
Section 5: NW/4
Section 6: E/2

- (t) EXTEND the Bunker Hill-Penrose Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 31 EAST, NMPM
Section 14: W/2 S/2 and NE/4

- (u) EXTEND the Cemetery-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 25 EAST, NMPM
Section 3: S/2
Section 4: All

- (v) EXTEND the Comanche Stateline Tansill-Yates-Seven Rivers-Queen Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 26 SOUTH, RANGE 36 EAST, NMPM
Section 26: NW/4
Section 27: NE/4 and E/2 NW/4

- (v) EXTEND the South Empire-Morrow Gas Pool in Eddy County, New Mexico to include therein:

TOWNSHIP 17 SOUTH, RANGE 28 EAST, NMPM
Section 35: S/2
Section 36: W/2

- (x) EXTEND the South Empire-Wolfcamp Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 28 EAST, NMPM
Section 36: E/2 NE/4

TOWNSHIP 17 SOUTH, RANGE 29 EAST, NMPM
Section 31: NW/4 and S/2 NE/4

- (y) EXTEND the Forty Miner Ridge-Bone Spring Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 30 EAST, NMPM
Section 16: SE/4

- (z) EXTEND the Hardy-Tubb Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM
Section 2: Lots 11, 12, 13, 14, and S/2
Section 11: NW/4

- (aa) EXTEND the Northeast Lovington-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 37 EAST, NMPM
Section 20: NW/4

- (bb) EXTEND the West Milnesand-Pennsylvanian Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 34 EAST, NMPM
Section 19: W/2

- (cc) EXTEND the South Peterson-Pennsylvanian Associated Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 5 SOUTH, RANGE 33 EAST, NMPM
Section 30: SE/4
Section 31: N/2 NE/4

TOWNSHIP 6 SOUTH, RANGE 33 EAST, NMPM
Section 15: S/2

- (dd) EXTEND the Race Track-San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 10 SOUTH, RANGE 28 EAST, NMPM
Section 18: NE/4 and S/2 SE/4

- (ee) EXTEND the Ross Draw-Wolfcamp Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 26 SOUTH, RANGE 30 EAST, NMPM
Section 23: S/2
Section 26: W/2

- (ff) EXTEND the West Sand Dunes-Atoka Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 31 EAST, NMPM
Section 17: S/2
Section 20: All

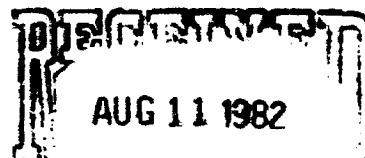
- (gg) EXTEND the Saunders Permian-Upper Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 14 SOUTH, RANGE 33 EAST, NMPM
Section 21: NE/4

ERNEST L. PADILLA
ATTORNEY AND COUNSELOR AT LAW

P.O. Box 2523
Santa Fe, New Mexico 87501
(505) 988-7577

August 11, 1982



Mr. Joe Ramey
Oil Conservation Division
Post Office Box 2088
Santa Fe, N.M. 87501

Re: Application of Carter Foundation Production
Company for an Expansion of its Waterflood
Project for Secondary Recovery, Lea County,
New Mexico.

Dear Mr. Ramey:

Case 1662

Enclosed for filing with the Oil Conservation
Division are three copies of the above-referenced Application.
We would appreciate having the date for hearing set for
September 1, 1982.

Thank you for your consideration of this request.

Very truly yours,

A handwritten signature in dark ink, appearing to read "Ernest L. Padilla". The signature is fluid and cursive, with the first name "Ernest" and last name "Padilla" clearly visible.

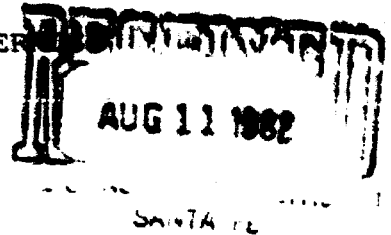
Ernest L. Padilla

ELP:PFM
Enclosures
cc: Mr. Robert D. Fitting

BEFORE THE OIL CONSERVATION DIVISION

DEPARTMENT OF ENERGY AND MINES

STATE OF NEW MEXICO



IN THE MATTER OF THE APPLICATION
OF CARTER FOUNDATION PRODUCTION
COMPANY FOR AN EXPANSION OF ITS
WATERFLOOD PROJECT FOR SECONDARY
RECOVERY, LEA COUNTY, NEW MEXICO }

No. 76-2

APPLICATION

Applicant, Carter Foundation Production Company, by its undersigned attorney, hereby makes application for an expansion of its waterflood project for secondary recovery and in support of its application states:

1. That by Order No. R-3027 application has previously been authorized to institute a waterflood project in the Langlie-Mattix Pool by injection of water into the Queen Formation.

2. That said Order No. R-3027 is attached hereto and incorporated herein by reference as Exhibit A.

3. That Applicant now proposes to use the H. G. Mattix Federal Wells Nos. 2, 5 and 6 in Section 3, Township 24 South, Range 37 East, as cooperative water injection wells through a closed system to match the injection pattern established by the Getty Oil Company, Myers Langlie Mattix Unit Wells on adjoining lands.

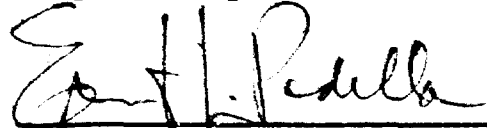
4. That the injection Zone shall be the Penrose Sand of the Queen Formation and that its water source shall be from lands operated by applicant.

5. That the proposed injection and expansion of said waterflood project will not pose a danger to fresh water sources in the area.

6. That approval of this application will be in the best interest of conservation, prevention of waste and protection of correlative rights.

WHEREFORE, the applicants request that this application be set for hearing before a duly appointed Examiner of the Oil Conservation Division on September 1, 1982, that notice be given as required by law and the rules of the Division, and that this application be approved.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "Ernest L. Padilla", written over a horizontal line.

Ernest L. Padilla
Post Office Box 2523
Santa Fe, N.M. 87501
505-983-7577
Attorney for Applicant

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

RECEIVED
AUG 11 1982

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE No. 3362
Order No. R-3027

APPLICATION OF CARTER FOUNDATION PRODUCTION
COMPANY FOR A WATERFLOOD PROJECT, LEA COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on
January 5, 1966, at Santa Fe, New Mexico, before Examiner
Daniel S. Nutter.

NOW, on this 13th day of January, 1966, the Commission, a
quorum being present, having considered the testimony, the record,
and the recommendations of the Examiner, and being fully advised
in the premises,

FINDS:

- (1) That due public notice having been given as required by
law, the Commission has jurisdiction of this cause and the subject
matter thereof.
- (2) That the applicant, Carter Foundation Production Com-
pany, seeks permission to institute a waterflood project in the
Langlie-Mattix Pool by the injection of water into the Queen
formation through five injection wells at unorthodox locations
in Sections 34 and 35, Township 23 South, Range 37 East, NMPM,
Lea County, New Mexico.
- (3) That the wells in the project area are in an advanced
state of depletion and should properly be classified as "stripper"
wells.
- (4) That the proposed waterflood project should result in
the recovery of otherwise unrecoverable oil, thereby preventing
waste.

Ex A

-2-

CASE No. 3362
Order No. R-3027

(5) That the subject application should be approved and the project should be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations.

IT IS THEREFORE ORDERED:

(1) That the applicant, Carter Foundation Production Company, is hereby authorized to institute a waterflood project in the Langlie-Mattix Pool by the injection of water into the Queen formation through the following-described wells at the following-described unorthodox locations in Township 23 South, Range 37 East, NMPM, Lea County, New Mexico

Carter Foundation Production
Company Blinebry Federal

Well No. 11, located 1300 feet from the South line
and 1240 feet from the East line of Section 34;

Well No. 13, located 1300 feet from the South line
and 1300 feet from the West line of Section 35;

Well No. 14, located 2660 feet from the North line
and 20 feet from the East line of Section 34;

Well No. 15, located 1340 feet from the North line
and 1200 feet from the West line of Section 35; and

Well No. 16, located 1340 feet from the North line
and 1340 feet from the East line of Section 34.

(2) That the subject waterflood project is hereby designated the Carter Foundation Bline-Cade Waterflood Project and shall be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations.

(3) That monthly progress reports of the waterflood project herein authorized shall be submitted to the Commission in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.

-3-

CASE No. 3352

Order No. R-3027

(4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

JACK M. CAMPBELL, Chairman

GUYTON B. HAYS, Member

A. L. PORTER, Jr., Member & Secretary

S E A L

esr/

901 WEST MISSOURI AVE.

ROBERT D. FITTING & ASSOCIATES, INC.
Petroleum Engineering & Geological Consultants
MIDLAND, TEXAS 79701

July 22, 1982

7-30

well 150' SE of Getty well #149
has not been produced in about
20 years

Case 7662

Mr. Roy Johnson
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: Application to Convert to Injection
Carter Foundation Production Company,
G. H. Mattix Federal #2, #5 and #6,
Lea County, New Mexico

Dear Mr. Johnson:

Mr. Carl Manske with the Carter Foundation Production Company has inspected the area surrounding the captioned wells for which we have made application to convert to injection.

It is our belief that the enclosed plat correctly reflects the location of all water wells and windmills in the area.

Please advise if additional information is required.

Yours very truly,

Robert D. Fitting
Robert D. Fitting *jd*

RDF:jd
Encl -

has suit against Getty & El Paso

TOP SECRET
JUL 16 1982
OIL

WFX
Jimmy Joe Doom
Star Route
Jal, New Mexico 88252
July 14, 1982

505 - 395-2877

called 7-20-82 - no answer
7-28-82 will forward
H₂O declaration & location of
H₂O well that is within 1/4 mile
of injection well - old Texaco well

CERTIFIED - RETURN RECEIPT

Oil Conservation Division
P. O. Box 2083
Santa Fe, New Mexico 87501

Dear Sirs:

It is my desire to protest the approval of the application of
Carter Foundation Production Company to convert their G. H. Mattix Federal #2,
#5 and #6, Section 3, T-24-S, R-37-E wells to water injection service. I am
the surface owner of the northwest quarter of the above mentioned section.

It is my belief that the report prepared by Robert D. Fitting & associates,
Inc. is incorrect in its Exhibit XI. It is stated that there is only one fresh
water well within one-mile radius of the proposed injection wells. This seems
to be in error. I am not able to tell exactly where the wells are from the map
and the identifying signs of the wells in question have been removed. It does
not seem possible that they could be over one mile from any of my fresh water
wells on which I have water declarations with the Office of the State Engineer.

I would appreciate your consideration in this matter. Thank you.

Sincerely,

Jimmy Joe Doom
Jimmy Joe Doom

CC: Carter Foundation Production Company
901 W. Missouri
Midland, Texas 79701

OIL CONSERVATION DIVISION
DISTRICT 1

RECEIVED
JUL 15 1982
OIL CONSERVATION DIVISION
SANTA FE

OIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

DATE July 9, 1982

RE: Proposed MC _____
Proposed DHC _____
Proposed NSL _____
Proposed NSP _____
Proposed SWD _____
Proposed WFX X _____
Proposed PMX _____

Gentlemen:

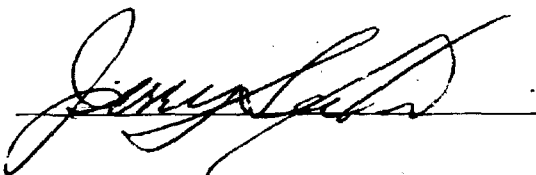
I have examined the application for the:

Carter Foundation Prod. Co. G. H. Mattix #2-C, #5-E, #6-0 3-24-37
Operator Lease and Well No. Unit, S - T - R

and my recommendations are as follows:

O.K.----J.S.

Yours very truly,


/mc

APPLICATION FOR AUTHORIZATION TO INJECT

- I. Purpose: ☒ Secondary Recovery ☐ Pressure Maintenance ☐ Storage
Application qualifies for administrative approval? ☒ yes ☐ no
- II. Operator: Carter Foundation Production Company
Address: 901 W. Missouri, Midland, Texas 79701
Contact party: Robert D. Fitting Phone: (915) 683-4616
- III. Well data: Complete the data required on the reverse side of this form for each well proposed for injection. Additional sheets may be attached if necessary.
- IV. Is this an expansion of an existing project? ☒ yes ☐ no
If yes, give the Division order number authorizing the project R-3027
- V. Attach a map that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review.
- VI. Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail.
- VII. Attach data on the proposed operation, including:
1. Proposed average and maximum daily rate and volume of fluids to be injected;
 2. Whether the system is open or closed;
 3. Proposed average and maximum injection pressure;
 4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and
 5. If injection is for disposal purposes into a zone not productive of oil or gas or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.).
- *VIII. Attach appropriate geological data on the injection zone including appropriate lithologic detail, geological name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such source known to be immediately underlying the injection interval.
- IX. Describe the proposed stimulation program, if any.
- X. Attach appropriate logging and test data on the well. (If well logs have been filed with the Division they need not be resubmitted.)
- XI. Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken.
- XII. Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground source of drinking water.
- XIII. Applicants must complete the "Proof of Notice" section on the reverse side of this form.
- XIV. Certification
- I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.
- Name: Robert D. Fitting Title: Agent
- Signature: Robert D. Fitting Date: 7-7-82
- * If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be duplicated and resubmitted. Please show the date and circumstance of the earlier submittal.

DISTRIBUTION: Original and one copy to Santa Fe with one copy to the appropriate Division district office.

III. WELL DATA

A. The following well data must be submitted for each injection well covered by this application. The data must be both in tabular and schematic form and shall include:

- (1) Lease name; Well No.; location by Section, Township, and Range; and footage location within the section.
- (2) Each casing string used with its size, setting depth, sacks of cement used, hole size, top of cement, and how such top was determined.
- (3) A description of the tubing to be used including its size, lining material, and setting depth.
- (4) The name, model, and setting depth of the packer used or a description of any other seal system or assembly used.

Division District offices have supplies of Well Data Sheets which may be used or which may be used as models for this purpose. Applicants for several identical wells may submit a "typical data sheet" rather than submitting the data for each well.

B. The following must be submitted for each injection well covered by this application. All items must be addressed for the initial well. Responses for additional wells need be shown only when different. Information shown on schematics need not be repeated.

- (1) The name of the injection formation and, if applicable, the field or pool name.
- (2) The injection interval and whether it is perforated or open-hole.
- (3) State if the well was drilled for injection or, if not, the original purpose of the well.
- (4) Give the depths of any other perforated intervals and detail on the sacks of cement or bridge plugs used to seal off such perforations.
- (5) Give the depth to and name of the next higher and next lower oil or gas zone in the area of the well, if any.

XIV. PROOF OF NOTICE

All applicants must furnish proof that a copy of the application has been furnished, by certified or registered mail, to the owner of the surface of the land on which the well is to be located and to each leasehold operator within one-half mile of the well location.

Where an application is subject to administrative approval, a proof of publication must be submitted. Such proof shall consist of a copy of the legal advertisement which was published in the county in which the well is located. The contents of such advertisement must include:

- (1) The name, address, phone number, and contact party for the applicant;
- (2) the intended purpose of the injection well; with the exact location of single wells or the section, township, and range location of multiple wells;
- (3) the formation name and depth with expected maximum injection rates and pressures; and
- (4) a notation that interested parties must file objections or requests for hearing with the Oil Conservation Division, P. O. Box 2088, Santa Fe, New Mexico 87501 within 15 days.

NO ACTION WILL BE TAKEN ON THE APPLICATION UNTIL PROPER PROOF OF NOTICE HAS BEEN SUBMITTED.

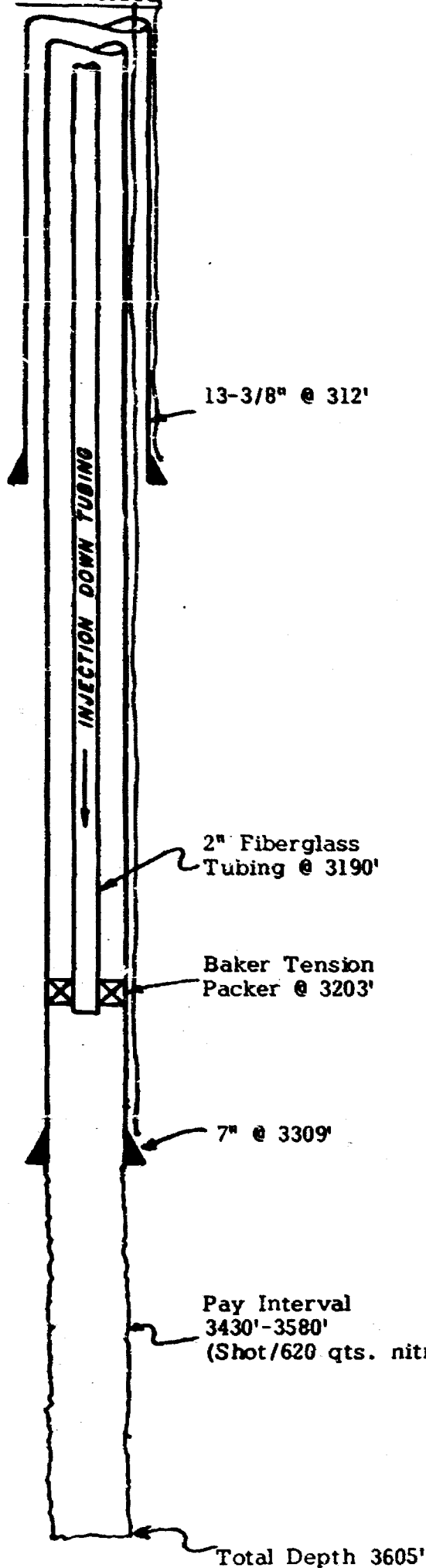
NOTICE: Surface owners or offset operators must file any objections or requests for hearing of administrative applications within 15 days from the date this application was mailed to them.

III.

INJECTION WELL DATA SHEET

CARTER FOUNDATION PRODUCTION COMPANY
G. H. MATTIX FEDERAL WELL NO. 2
658' FNL & 1964' FWL, SECTION 3, T-24S, R-37E,
LEA COUNTY, NEW MEXICO

SCHEMATIC



TUBULAR DATA

SURFACE CASING

13-3/8" OD 48# H-40 smls casing set @ 312'.
Cemented with 175 sx-circulated.
Hole Size: 16"

LONG STRING

7" OD 20# H-40 smls casing set @ 3309'.
Cemented with 875 sx-circulated.
Hole Size: 8-3/4"

TUBING

2" @ 3190'

INJECTION INTERVAL

Open Hole: 3309'-3605'

3309
26.18

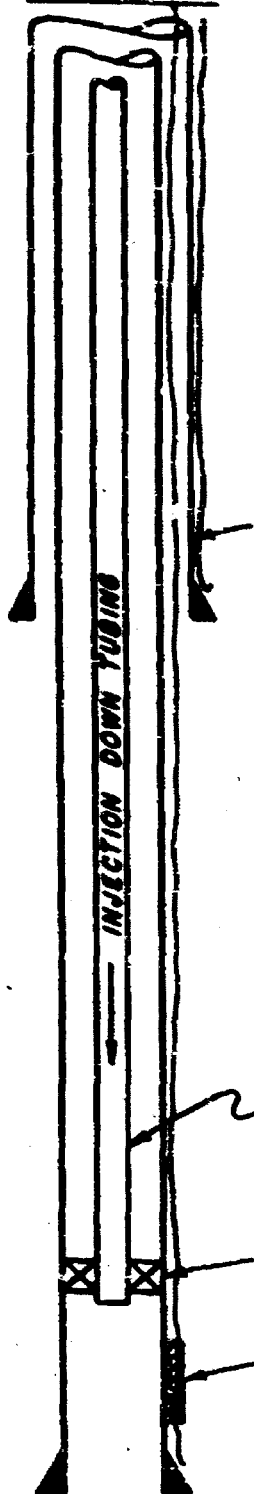
called 7-20-82 - will return call

III.

INJECTION WELL DATA SHEET

CARTER FOUNDATION PRODUCTION COMPANY
G. H. MATTIX FEDERAL WELL NO. 5
1969.5' FNL & 655.8' FWL, SECTION 3, T-24S, R-37E,
LEA COUNTY, NEW MEXICO

SCHEMATIC



TUBULAR DATA

SURFACE CASING

9-5/8" 32.30# H-40 casing set @ 308'.
Cemented with 300 sx-circulated.
Hole Size: 12-1/4"

LONG STRING

7" 20# J-55 casing set @ 3665'.
Cemented with 900 sx-circulated.
Hole Size: 8-3/4"

TUBING

2" @ 3393'

INJECTION INTERVAL

3496'-3614'

2" Fiberglass
Tubing @ 3393'

Baker Tension
Packer @ 3412'

Perforated Interval
3496' - 3614'

7" @ 3665'

Total Depth - 3667'

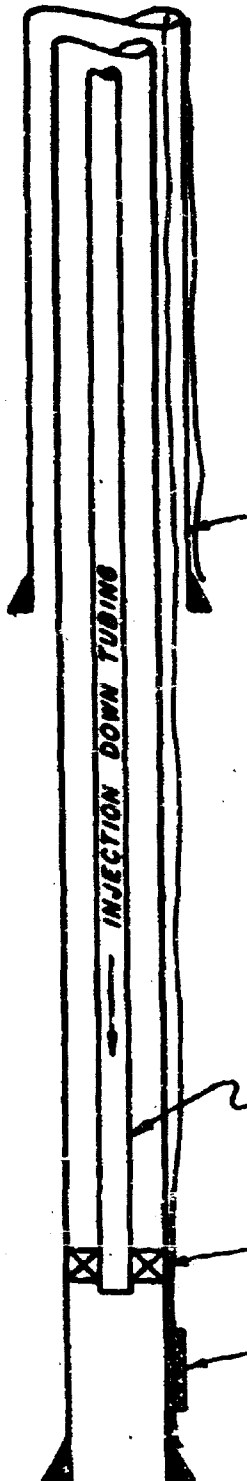
3496
+ 171

3667

III.

CARTER FOUNDATION PRODUCTION COMPANY
G. H. MATTIX FEDERAL WELL NO. 6
660' FSL & 1982' FEL. SECTION 3, T-24-S. R-37-E,
LEA COUNTY, NEW MEXICO

SCHEMATIC



TUBULAR DATA

SURFACE CASING

9-5/8" 32.30# H-40 casing set @ 311'.
Cemented with 300 sx-circulated.
Hole Size: 12-1/4"

9-5/8" @ 311'

LONG STRING

7" 20# J-55 casing set @ 3670'.
Cemented with 1000 sx-circulated.
Hole Size: 8-3/4"

TUBING

2" @ 3393'

INJECTION INTERVAL

3496'-3646'

2" Fiberglass
Tubing @ 3393'

Baker Tension
Packer @ 3412'

Perforated Interval
3496' - 3646'

7" @ 3670'

Total Depth - 3671'

PBTD - 3651'

3496
- 3646

649.2

III.

INJECTION WELL DATA SHEET (Page 2)

1. The name of the injection zone is the Penrose Sand of the Queen formation.
2. The name of the field is the Langlie Mattix (Seven-Rivers Queen Grayburg).
3. These wells were not drilled for water injection service but were originally Langlie Mattix Pool oil wells. The G. H. Mattix Federal, Well No. 2 was completed on February 21, 1951; Well No. 5 was completed on November 15, 1961; and, Well No. 6 was completed on November 30, 1961. No records of the Permit to Drill dates are available.
4. These wells have never produced from any zone except the Penrose Sand from 3309' to 3646'.
5. The underlying oil and gas pools in this area are as follows:

<u>Pool</u>	<u>Average Producing Depth</u>	<u>Township</u>	<u>Range</u>
Teague Blinebry	5300'	23-S	37-E
Teague Abo	6700'	23-S	37-E
Teague Devonian	7300'	23-S	37-E
Teague Simpson	9200'	23-S	37-E
Teague Ellenburger (Depleted)	9500'	23-S	37-E

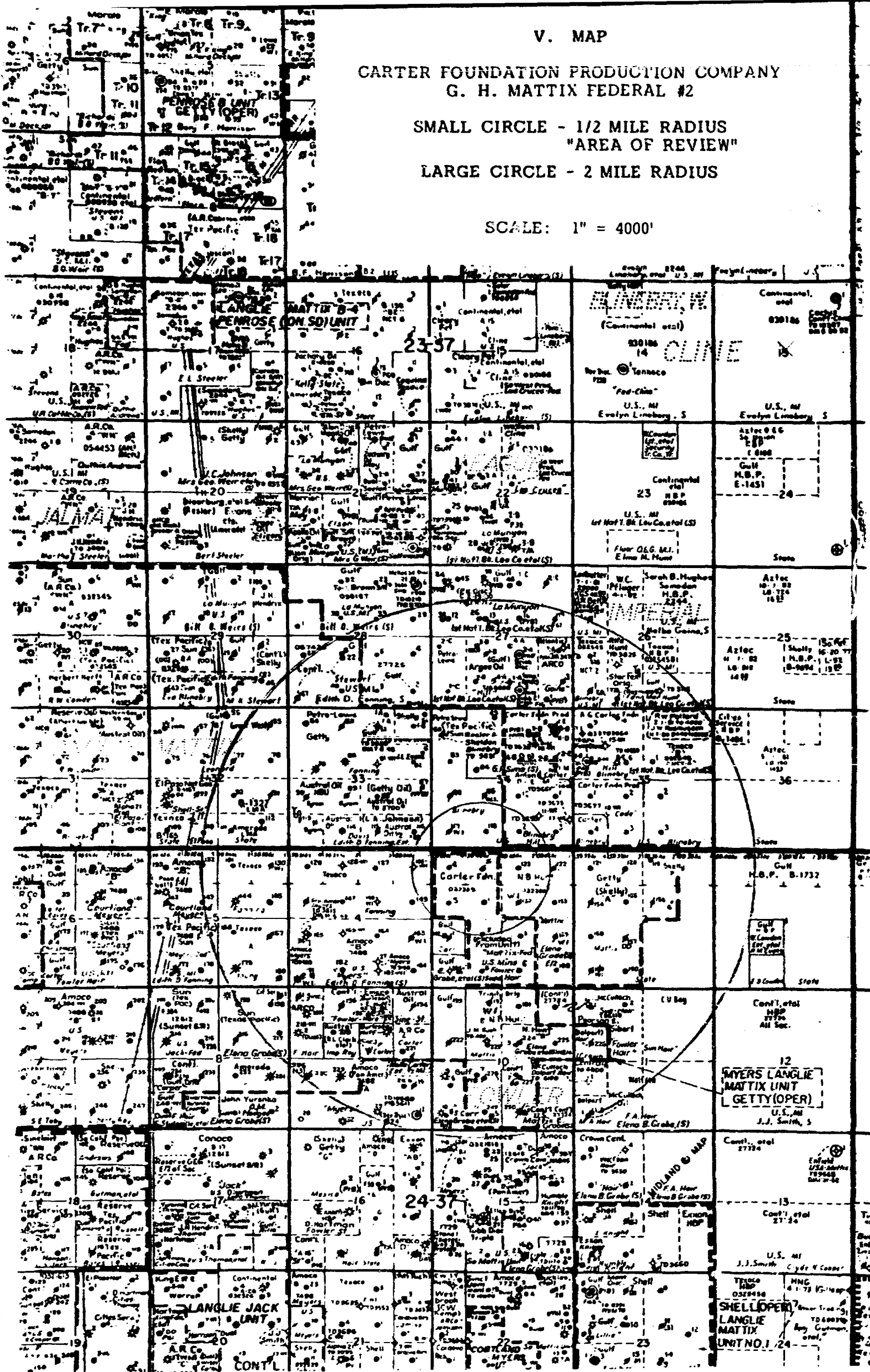
V. MAP

CARTER FOUNDATION PRODUCTION COMPANY
G. H. MATTIX FEDERAL #2

SMALL CIRCLE - 1/2 MILE RADIUS
"AREA OF REVIEW"

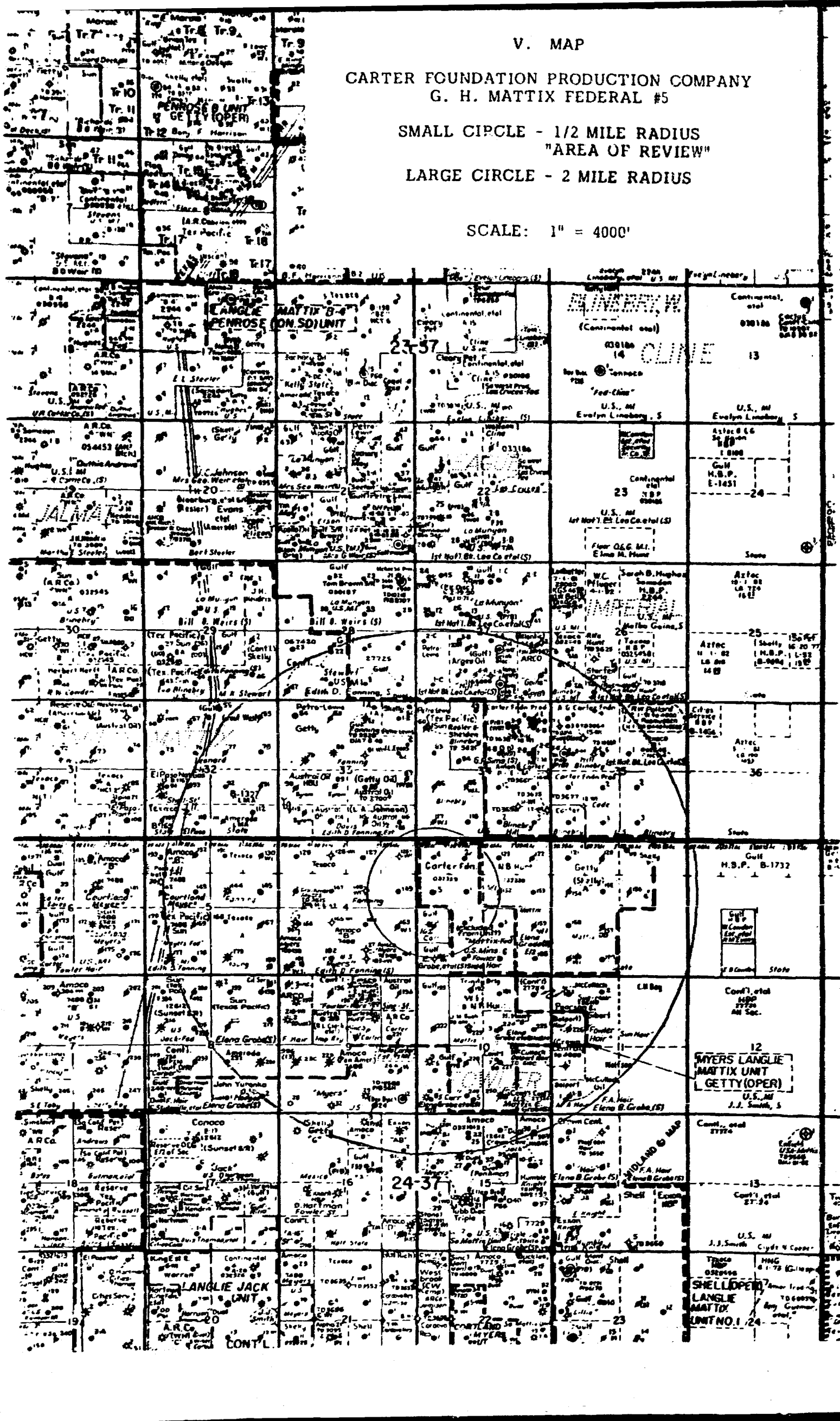
LARGE CIRCLE - 2 MILE RADIUS

SCALE: 1" = 4000'



CARTER FOUNDATION PRODUCTION COMPANY
G. H. MATTIX FEDERAL #5

SCALE: 1" = 4000'

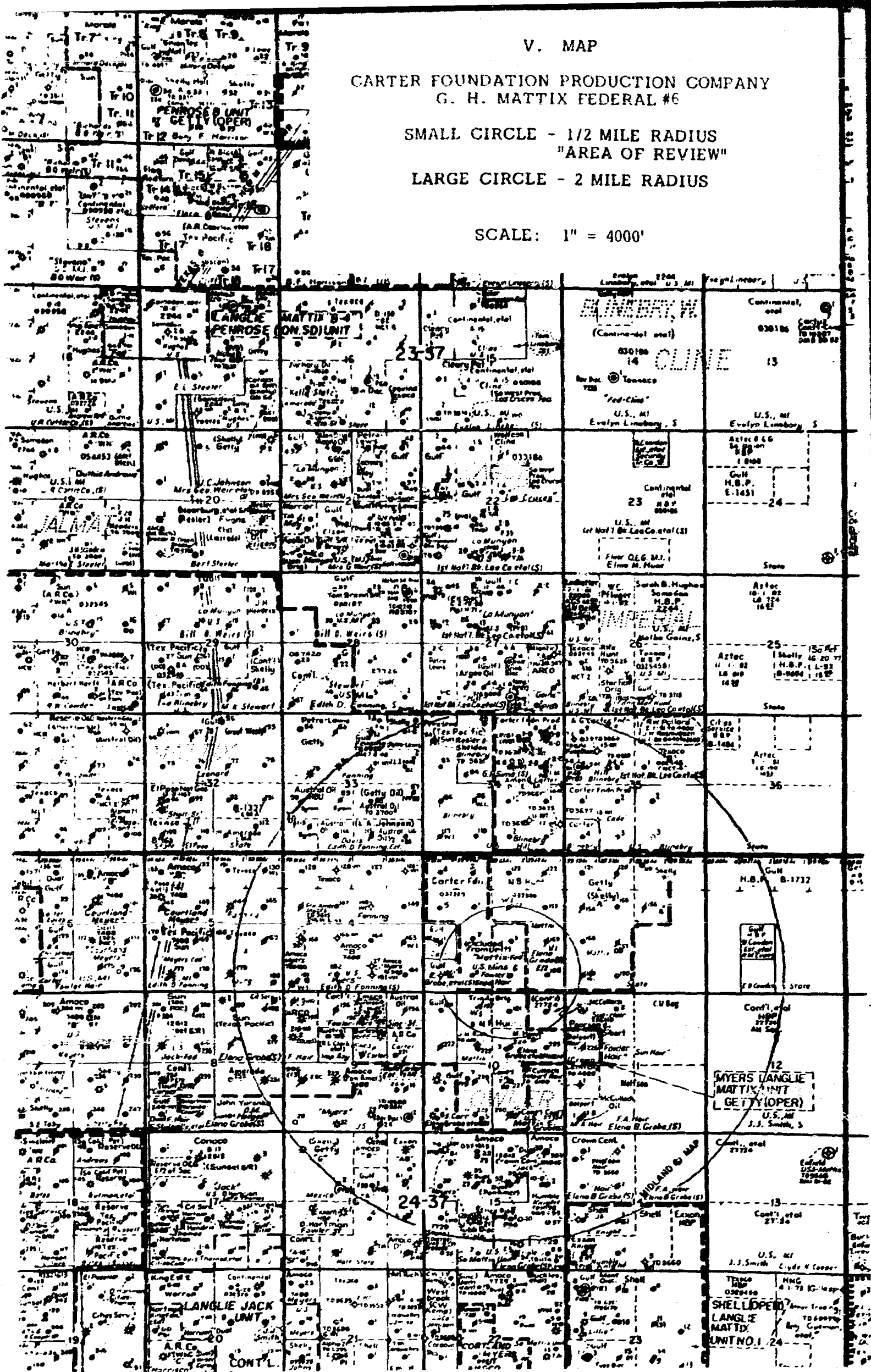


V. MAP

CARTER FOUNDATION PRODUCTION COMPANY
G. H. MATTIX FEDERAL #6

SMALL CIRCLE - 1/2 MILE RADIUS
"AREA OF REVIEW"
LARGE CIRCLE - 2 MILE RADIUS

SCALE: 1" = 4000'



VI.

WELLS WITHIN AREA OF REVIEW (1/2 MILE RADIUS)

Operator, Lease & Well No.	Location		Type	Date		Depth		Zone	Record of Completion
	Unit	Section Township Range		Spudded	Completed	TD	PBTD		
Getty Oil Company Myers-Langle Mattox Unit									
Well #117	M	34 23-S 27-E 660' FS&WL's	Water Injector Converted: 8-22-78	Unknown	1-21-41	3571'	DD to 3700'	Queen	Open Hole: 3435'-3571' Casing: 13-3/8" @ 336'/250 sx, 9-5/8" @ 2550'/500 sx, 7" @ 3435'/100 sx, 4-1/2" Liner 3029'-3700'/125 sx Perfs: 3439'-3564', acid/3,000 gals
Well #118	N	34 23-S 37-E 660' FSL & 1980' FWL	Oil Producer	11- 8-50	12- 9-50	3578'		Queen	Open Hole: 3308'-3578' Casing: 10-3/4" @ 285'/150 sx, 5-1/2" @ 3308'/400 sx Treatment: Shot/400 qts. nitro
Well #123	B	3 24-S 37-E 660' FNL & 1980' FEL	Oil Producer	9-22-50	10-22-50	3564'		Queen	Open Hole: 3321'-3564' Casing: 10-3/4" @ 254'/150 sx, 7" @ 3321'/800 sx Treatment: Shot/470 qts. nitro
Well #126	A	4 24-S 37-E 660' FNL&EL's	Water Injector	10-14-81	12- 1-81	3675'	3642'	Queen	Perfs: 3387'-3637' Casing: 8-5/8" @ 501'/350 sx, 5-1/2" @ 3671'/1000 sx Tubing: 2-3/8" @ 3318' Treatment: Acid/2,000 gals, Frac/ 21,000 gals & 6,000# sd
Well #152	G	3 24-S 37-E 1974' FNL & 1984' FEL	Water Injector (Inactive)	10- 7-51	11-26-51	3560'		Queen	Open Hole: 3328'-3560' Casing: 7" @ 3328'/800 sx <i>200'</i> Treatment: Shot/450 qts nitro
Well #149	H	4 24-S 37-E 1980' FNL & 660' FEL	Oil Producer	Unknown		3701'		Queen	Open Hole: 3459'-3665' Casing: 12-1/2" @ 201'/150 sx 8-5/8" @ 1250'/300 sx, 7" @ 3459'/100 sx
Well #162	L	3 24-S 37-E 1980' FSL & 560' FWL	Oil Producer	7-23-81	2-23-82	3745'	3697'	Queen	Perfs: 3460'-3619' Casing: 8-5/8" @ 501'/350 sx, 5-1/2" @ 3745'/1,100 sx Treatment: Acid/6,500 gals, Frac/33,000 gals & 60,000# sd

VI.

WELLS WITHIN AREA OF REVIEW (1/2 MILE RADIUS)

Operator, Lease & Well No.	Unit	Section	Township	Range	Type	Date		Depth		Zone	Record of Completion
						Spudded	Completed	TD	P.B.T.D.		
Cletty Oil Company Myers Langille-Mattix Unit											
Well #163	I	4	24-S	37-E	Water Injector Converted:	Unknown	8-19-37	3640' DD 3731'		Queen	Open Hole: 3466'-3640' Casing: 12-1/2" @ 18" 8-5/8" @ 1374'/ 400 sx, 5-1/2" @ 3466'/400 sx, Liner 3218'-3731'/125 sx Perfs: 3515'-3643', Acid/3,000 gals
Well #185	M	3	24-S	37-E	Water Injector	7-11-81	3-15-82	3705' 3652'		Queen	Perfs: 3489'-3635' Casing: 8-5/8" @ 500'/350 sx, 5-1/2" @ 3703'/1150' sx Treatment: Acid/2,000 gals
Well #159	I	3	24-S	37-E	Water Injector (Inactive)	2-6-52	3-19-52	3586'		Queen	Open Hole: 3323'-3586' Casing: 10-3/4" @ 261'/150 sx, 7" @ 3323'/800 sx
Well #188	P	3	24-S	37-E	Oil Producer	8-16-78	9-15-78	3747' 3706'		Queen	Perfs: 3504'-3602' Casing: 8-5/8" @ 507'/275 sx, 5-1/2" @ 3746'/800' sx Treatment: Acid/2,000 gals, Frac/19,000 gals & 24,000 # sd
Well #191	B	10	24-S	37-E	Oil Producer	12-6-52	2-20-53	3643' 3635'		Queen	Open Hole: 3334'-3635' Casing: 9-5/8" @ 252'/165 sx, 5-1/2" @ 3334'/800 sx Treatment: Shot/350 qts nitro
Well #192	C	10	24-S	37-E	Water Injector	2-25-53	4-17-53	3582'		Queen	Open Hole: 3347'-3582' Casing: 8-5/8" @ 250'/125 sx, 5-1/2" @ 3347'/800 sx Treatment: Shot/250 qts nitro
Carter Foundation Production Company Eva E. Blinberry Federal											
Well #2	O	34	23-S	37-E	Oil Producer	4-3-50	5-16-50	3536'		Queen	Open Hole: 3309'-3536' Casing: 13-3/8" @ 311'/175 sx, 7" @ 3309'/850 sx

VI.

WELLS WITHIN AREA OF REVIEW (1/2 MILE RADIUS)

Operator, Lease & Well No.	Unit Section	Township	Range	Type	Date Spudded	Completed	Depth TD	PRTD	Zone	Record of Completion
Carter Foundation Production Company										
G. H. Martin Federal										
Well #1	F	3	24-S	37-E	Oil Producer	4-3-35	7-17-35	3915'	3760'	Queen
1980' FNEWL's										
Open Hole: 3407'-3760'										
Casing: 8-1/4" @ 1294'/300 sx.										
7" @ 3407'/400 sx										
Treatment: Shot/500 qts nitro										
Well #2	C	3	24-S	37-E	Shut In	1-13-51	2-21-51	3605'		Queen
656' FNL & 1964' FWL										
Open Hole: 3309'-3605'										
Casing: 13-3/8" @ 312'/175 sx.										
7" @ 3309'/875 sx										
Treatment: Shot/620 qts nitro										
Well #3	J	3	24-S	37-E	Oil Producer	1-22-52	3-8-52	3674'		Queen
1981' FSL & 1983' FEL										
Open Hole: 3310'-3674'										
Casing: 13-3/8" @ 323'/175 sx										
7" @ 3310'/875 sx										
Treatment: Shot/820 qts nitro										
Well #4	D	3	24-S	37-E	Oil Producer	10-19-61	11-1-61	3675'		Queen
656' FNL & 654' FWL										
Perfs: 3501'-3612'										
Casing: 9-5/8" @ 306'/300 sx.										
7" @ 3675'/7900 sx										
Treatment: Acid/1250 gals,										
Frac/20,000 gals oil & 40,000# sd										
Well #5	E	3	24-S	37-E	Oil Producer	11-2-61	11-15-61	3667'		Queen
1969.5' FNL & 655.8' FWL										
Perfs: 3496'-3614'										
Casing: 9-5/8" @ 308'/300 sx.										
7" @ 3665'/900 sx										
Treatment: Acid/750 gals,										
Frac/30,000 gals oil & 45,000# sd										
Well #6	O	3	24-S	37-E	Oil Producer	11-17-61	11-30-61	3671'	3651'	Queen
660' FSL & 1082' FEL										
Perfs: 3496'-3646'										
Casing: 9-5/8" @ 311'/300 sx.										
7" @ 3670'/1000 sx										
Treatment: Acid/1250 gals,										
Frac/37,500 gals oil & 56,250# sd										

VI.

WELLS WITHIN AREA OF REVIEW (1/2 MILE RADIUS)

Location		Date	Depth		Zone	Record of Completion
<u>Operator, Lease & Well No.</u>	<u>Unit Section Township Range</u>	<u>Type</u>	<u>Spudded</u>	<u>Completed</u>	<u>TD</u> <u>PBTD</u>	
Carter Foundation Production Company						
G. H. Matlix Federal Well #7	K 3 24-S 37-E	Oil Producer	10-3-81	11-13-81	3730' 3722'	Queen
	1980' FSL & FWL's					Perfs: 3474'-3638' Casing: 8-5/8" @ 502'/360 sx, 5-1/2" @ 3722'/900 sx Tubing: 2-3/8" @ 3638' Treatment: Acid/6,000 gals. Frac/36,000 gals & 72,000# sd
Pearson-Sibert Oil Co. of Texas						
G. H. Matlix Federal Well #1	N 3 24-E 37-E	Oil Producer	8-1-81	9-21-81	3692'	Queen
	660' FSL & 980' FWL					Perfs: 3475'-3626' Casing: 8-5/8" @ 562'/360 sx 5-1/2" @ 3692'/900 sx Tubing: 2-3/8" @ 3579' Treatment: Acid/5,000 gals., Frac/36,000 gals, 10/20 & 10/40 sd
Pearson-Sibert Oil Co. of Texas						
G. H. Matlix Federal Well #1	A 10 24-S 37-E	Oil Producer	5-29-52	7-2-52	3621'	Queen
	660' FNEEL's					Open Hole: 3435'-3621' Casing: 8-5/8" @ 326'/350 sx 5-1/2" @ 3435'/400 sx Tubing: 2-3/8" @ 3612'

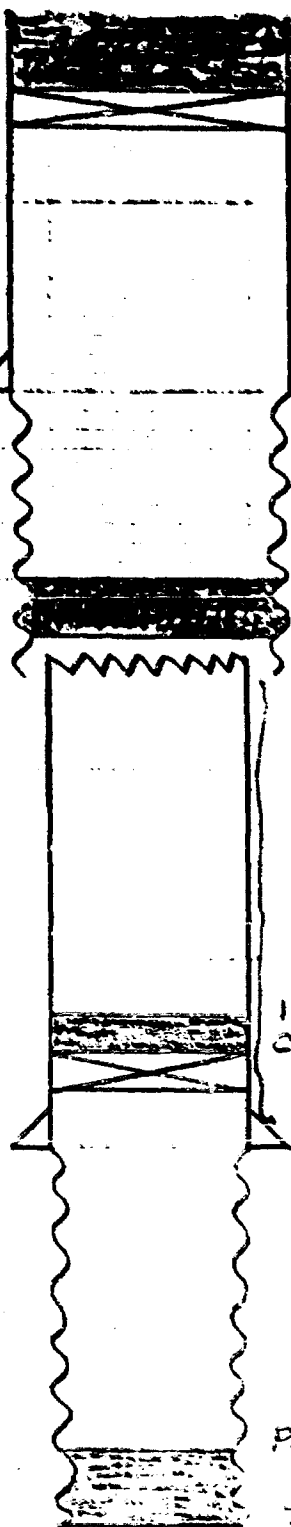
GULE OIL CORR

VI.

S. J. CARR NO. 1

UL L, Sec. 3-7245-R37E

P+A W/52



13 SX CEMENT PLUG SURFACE - 25'

Bridge Plug @ 25'

15 1/2 CSG. @ 148' NOT Cemented

10 3/4 CSG. @ 1237' Cemented W/250 SXS.
Cement TOP @ SURFACE

34 SX CEMENT PLUG 2445'-2520'

Shot 7" CSG. OFF @ 2554' + PULLED

15' OF Cement ON TOP OF Retainer
Cement Retainer @ 3464' Squeezed 20 SXS Below Retainer

7" CSG. @ 3484' Cemented W/100 SXS.
CALC. Cement TOP @ 3600'

P370 @ 3625'

TD @ 3826'

VII.

PROPOSED OPERATIONS

The Carter Foundation Production Company proposes to use the subject G. H. Mattix Federal #2, #5 and #6 as cooperative water injection wells to match the injection pattern established by the Getty Oil Company, Myers Langlie Mattix Unit wells. The average initial daily rate should approximate 200 barrels to a maximum of 350 barrels per well per day.

The system will be closed and the average initial injection pressure is estimated from 0 to 50 psi with an after fillup approximate maximum injection pressure of 1600 psi.

The water source will be primarily of produced salt water from the multipay wells owned by Carter Foundation Production Company in Sections 34 and 35, T-23-S, R-37-E, and the subject lease. If the quantity is insufficient, produced Santa Rosa formation brakish water from our approved water supply well, the E. C. Hill Federal #7 in Section 35, T-23-S, R-37-E, will be used to supplement the supply.

SAMPLE NO. _____

VII. (4)

THE WESTERN COMPANY
Service Laboratory
West Highway 80

Midland, Texas
Phone MU 3-2731 Day or Night

WATER ANALYSIS

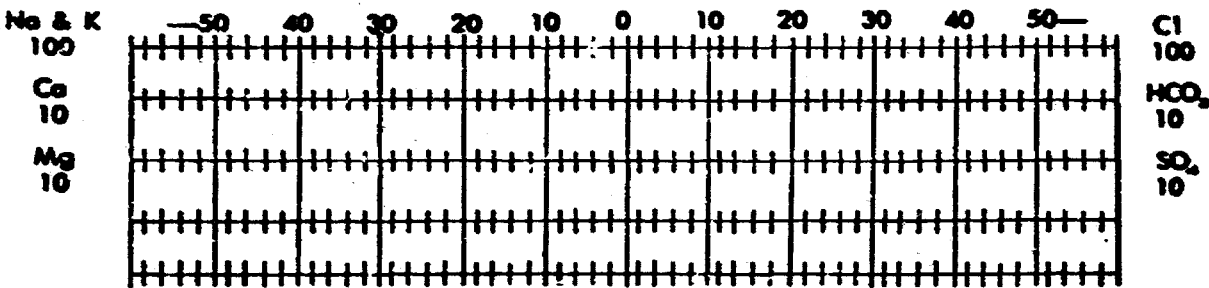
Operator	Carter Foundation	Date Sampled	
Well	Hill No. 7	Date Received	11-14-65
Field	Teague	Submitted by	Kernit District
Formation	Santa Rosa	Worked by	Bob Jones
Depth	661-681'	Other Description	
County	Lee, New Mexico		

CHEMICAL DETERMINATIONS

Density	1.005 @ 75° F.	pH	7.3
Iron	No Trace	Hydrogen Sulfide	None
Sodium and Potassium	900 ppm	Bicarbonate	366 ppm
Calcium	160 ppm	Sulfate	1,500 ppm
Magnesium	140 ppm	Phosphate	ppm
Chloride	800 ppm	as Sodium Chloride	ppm

Remarks:

for Stiff type plot (in meq./l.)



Per _____

VIII.

GEOLOGICAL DATA

The wells in this area of the Langlie Mattix Pool have encountered oil and gas zones within the Penrose Sand section of the Queen formation. In a 1968 secondary recovery study prepared by Skelly Oil Company (now Getty Oil Company), an east-west cross section depicts the producing zone changes. In this section the westerly wells produce from the Seven Rivers with gradual changes to the east to the Upper Queen and then to the Penrose Sand section of the Lower Queen.

This report also shows that of eight Penrose wells cored, the average permeability was 5.7 millidarcies with an average porosity of 14.2% and a residual oil saturation of 10.1%.

Of the subject injectors, the G. H. Mattix #5 was cored from 3430' to 3633'. The overall pay section was 169' with 58' of net pay. The average porosity was 7.33% with an average permeability of 0.67 millidarcies. In addition, the G. H. Mattix #6 was cored from 3450' to 3605'. The overall pay section of this well was 120' with 41' of net pay. The average porosity was 10.71% with an average permeability of 0.97 millidarcies. The average oil saturation in both of the cored intervals was extremely low, varying from a trace to 20.4%. Volumetric recovery calculations of the oil in place and the recoverable oil are not considered a correct indication of the probable oil reserves. This conclusion is verified by the fact that the six older wells on the G. H. Mattix Lease through the year of 1981 had produced approximately 302,000 barrels or 50,330 barrels of oil per well. It must be assumed that either at the time the Carter Foundation Production Company cores were taken, the degree of reservoir depletion created the low oil saturations, or that fractures within the Penrose are an important part of the reservoir oil voidage. The lithology of the subject wells consists of interbedded sand in dolomite and sandy dolomite. The oil pay occurrence is both in the sand and dolomite facies.

The depth of the presently produced drinkable water well within a mile of these proposed injection wells is 120'. In the southwest part of Unit D, Section 35, T-23-S, R-37-E, the Carter Foundation Production Company has developed a Santa Rosa water supply well at a depth of 681'. The water produced from this well is not considered potable.

IX.

PROPOSED STIMULATION

The G. H. Mattix #2 well was "shot" with 620 quarts of nitroglycerine in February of 1951. Subsequently, in June 1957 the well was fraced with 20,000 gallons/1-1/2# sand per gallon. The #5 well in November 1961 was acidized and later fraced with 30,000 gallons/1-1/2# sand per gallon. The #6 well in November 1961 was acidized and later fraced with 37,500 gallons of lease crude with 56,250# sand.

No additional stimulation is anticipated unless the injection pressures prove excessive.

X.

WELL TEST DATA
(Taken from Scheduled GOR Tests)

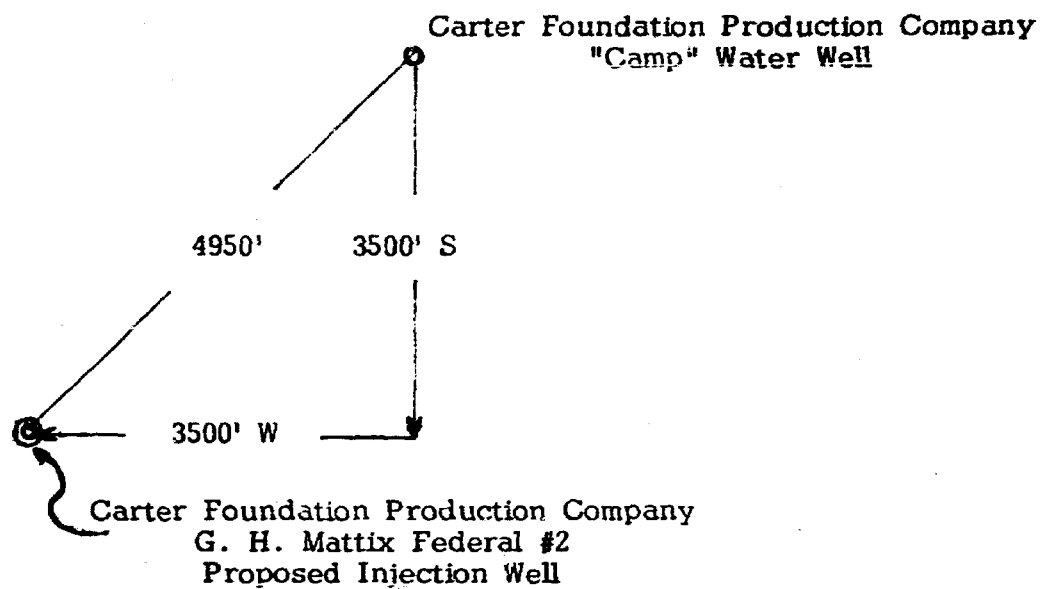
<u>Operator, Lease & Well No.</u>	<u>Date of Test</u>	<u>Length of Test, Hrs.</u>	<u>Production During Test</u>			
			<u>Water Bbls.</u>	<u>Oil Bbls.</u>	<u>Gas MCF</u>	<u>GOR Cu.Ft./Bbl.</u>
Carter Foundation Production Company G. H. Mattix Federal (032339) Well #2 3-24S-37E (Unit C)						Closed In
G. H. Mattix Federal (032339) Well #5 3-24S-37E (Unit E)	2-10-82	24	1	1.38	3.4	2463
G. H. Mattix Federal (032339) Well #6 3-24S-37E (Unit O)						Closed In

No well logs are available on these wells.

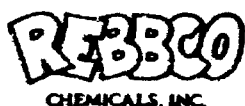
XI.

LOCATION OF FRESH WATER WELL

Only one fresh water well is within a one-mile radius of one of the proposed injection wells. This well is used for domestic water for the Carter Foundation Production Company camp and is located in the southwest corner of Unit E, Section 35, T-23-S, R-37-E in the camp area. The well is pumped by a downhole centrifugal pump at an approximate depth of 120'.



XI.



915/381-2588

OFFICE & PLANT P. O. BOX 8308
16301 WEST UNIVERSITY ODESSA, TEXAS 79760

WATER ANALYSIS REPORT

COMPANY CARTER FOUNDATION ADDRESS JAL, NEW MEXICO
LEASE H₂O WELL DATE SAMPLED 7/1/82

ANALYSIS	PPM or Mg/L	EPM or Meq./L	Ionic PPM
1. PH 7.35			
2. H ₂ S Neg.			
3. CO ₂ Pos.			
4. Specific Gravity 1.0002			
5. Phenol Alkalinity (CaCO ₃)	0.0		
6. M.P. Alkalinity (CaCO ₃)	60.0		
7. Bicarbonate (CaCO ₃)	60.0	1.2	HCO ₃ 73.2
8. Chlorides (Cl)	200.0	5.6	Cl 200.0
9. Sulphates (SO ₄)	425.0	8.9	SO ₄ 425.0
10. Total Hardness (CaCO ₃)	375.0		
11. Calcium (CaCO ₃)	275.0	5.5	Ca 110.0
12. Magnesium (CaCO ₃)	100.0	2.0	Mg 24.4
13. Sodium (Na)		8.2	Na 188.6
14. Barium (Ba)			Ba 8.0
15. Iron (Fe)			TRACE
16. Total Dissolved Solids			1,029.2

Remarks: _____

Louis Stahl
REPRESENTATIVE

Chemicals for the Petroleum Industry

XIII.

AFFIDAVIT OF PUBLICATION

COUNTY OF LEA
STATE OF NEW MEXICO

I. Robert L. Summer . PUBLISHER
Name Title

of the Hobbs News Sun, a daily newspaper published at Hobbs, New Mexico, do solemnly swear that the clipping hereto attached was published for a period of One Day in the issue dated _____ 1982.

Sworn and subscribed to before me this 28TH day of JUNE, 1982.

Lynette Naegele
Notary Public

My commission expires March 29, 19 86.

[illegible]

JUL 2 1982

ROBERT D. FITTING & ASSOCIATES, INC.*Production Engineering & Geological Consultants***MIDLAND, TEXAS 79701****July 7, 1982****CERTIFIED - RETURN RECEIPT**

Getty Oil Company
P. O. Box 1231
Midland, Texas 79702

Re: Carter Foundation Production Company,
G. H. Mattix Federal #2, #5 and #6,
Section 3, T-24-S, R-37-E,
Lea County, New Mexico

Gentlemen:

The Carter Foundation Production Company is in the process of making application to convert the above wells to water injection service. The New Mexico Oil Conservation Division requires that a copy of this application be furnished all offset operators. The enclosed application is being mailed this date to the New Mexico Oil Conservation Division in Santa Fe.

Should you have any questions concerning this application, you may contact us at the address shown above.

Yours very truly,

CARTER FOUNDATION PRODUCTION COMPANY

By:


Robert D. Fitting, Agent

RDF:jd
Encl -

ROBERT D. FITTING & ASSOCIATES, INC.

Petroleum Engineering & Geological Consultants

MIDLAND, TEXAS 79701

July 7, 1982

CERTIFIED - RETURN RECEIPT

Pearson-Sibert Oil Co. of Texas
901 W. Missouri
Midland, Texas 79701

Re: Carter Foundation Production Company,
G. H. Mattix Federal #2, #5 and #6,
Section 3, T-24-S, R-37-E,
Lea County, New Mexico

Gentlemen:

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Should you have any questions concerning this application, you may contact us at the address shown above.

Yours very truly,

CARTER FOUNDATION PRODUCTION COMPANY

By: *Robert D. Fitting*
Robert D. Fitting, Agent

RDF:jd
Encl -

ROBERT D. FITTING & ASSOCIATES, INC.

Petroleum Engineering & Geological Consultants

MIDLAND, TEXAS 79701

July 7, 1982

CERTIFIED - RETURN RECEIPT

Mr. Bill Grobe
P. O. Drawer "G"
Jal, New Mexico 88252

Re: Carter Foundation Production Company,
G. H. Mattix Federal #2, #5 and #6,
Section 3, T-24-S, R-37-E,
Lea County, New Mexico

Dear Mr. Grobe:

The Carter Foundation Production Company is in the process of making application to convert the above wells to water injection service. The New Mexico Oil Conservation Division requires that a copy of this application be furnished you as surface owner under this lease. The enclosed application is being mailed this date to the New Mexico Oil Conservation Division in Santa Fe.

Should you have any questions concerning this application, you may contact us at the address shown above.

Yours very truly,

CARTER FOUNDATION PRODUCTION COMPANY

By: Robert D. Fitting
Robert D. Fitting, Agent

RDF:jd
Encl -

ROBERT D. FITTING & ASSOCIATES, INC.

Petroleum Engineering & Geological Consultants

MIDLAND, TEXAS 79701

July 7, 1982

CERTIFIED - RETURN RECEIPT

Mr. Jimmy Doom
Doom Ranch
Jal, New Mexico 88252

Re: Carter Foundation Production Company,
G. H. Mattix Federal #2, #5 and #6,
Section 3, T-24-S, R-37-E,
Lea County, New Mexico

Dear Mr. Doom:

The Carter Foundation Production Company is in the process of making application to convert the above wells to water injection service. The New Mexico Oil Conservation Division requires that a copy of this application be furnished you as surface owner under this lease. The enclosed application is being mailed this date to the New Mexico Oil Conservation Division in Santa Fe.

Should you have any questions concerning this application, you may contact us at the address shown above.

Yours very truly,

CARTER FOUNDATION PRODUCTION COMPANY

By: Robert D. Fitting
Robert D. Fitting, Agent

RDF:jd
Encl -

P 265 320 205

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL
(See Reverse)

SENT TO		Getty Oil Company	
STREET AND NO.		P. O. Box 1231	
P.O. STATE AND ZIP CODE		Midland, TX 79702	
POSTAGE		\$ 1.05	
CERTIFIED FEE		0.75	
SPECIAL DELIVERY			
RESTRICTED DELIVERY			
CONSULT POSTMASTER FOR FEES			
OPTIONAL SERVICES			
RETURN RECEIPT SERVICE		0.60	
SHOW TO WHOM AND DATE DELIVERED			
SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY			
SHOW TO WHOM AND DATE DELIVERED WITH RESTRICTED DELIVERY			
SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY WITH RESTRICTED DELIVERY			
TOTAL POSTAGE AND FEES		\$ 2.40	
POSTMARK OR DATE		7-7-82	

PS Form 3800, Apr. 1976

P 265 320 206

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL
(See Reverse)

SENT TO		Pearson-Sibert Oil Co.	
STREET AND NO.		901 W. Missouri	
P.O. STATE AND ZIP CODE		Midland, TX 79701	
POSTAGE		\$ 1.05	
CERTIFIED FEE		0.75	
SPECIAL DELIVERY			
RESTRICTED DELIVERY			
CONSULT POSTMASTER FOR FEES			
OPTIONAL SERVICES			
RETURN RECEIPT SERVICE		0.60	
SHOW TO WHOM AND DATE DELIVERED			
SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY			
SHOW TO WHOM AND DATE DELIVERED WITH RESTRICTED DELIVERY			
SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY WITH RESTRICTED DELIVERY			
TOTAL POSTAGE AND FEES		\$ 2.40	
POSTMARK OR DATE		7-7-82	

PS Form 3800, Apr. 1976

P 265 320 208

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL
(See Reverse)

SENT TO		Jimmy Doom	
STREET AND NO.		Doom Ranch	
P.O. STATE AND ZIP CODE		Jal, NM 88252	
POSTAGE		\$ 1.05	
CERTIFIED FEE		0.75	
SPECIAL DELIVERY			
RESTRICTED DELIVERY			
CONSULT POSTMASTER FOR FEES			
OPTIONAL SERVICES			
RETURN RECEIPT SERVICE		0.60	
SHOW TO WHOM AND DATE DELIVERED			
SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY			
SHOW TO WHOM AND DATE DELIVERED WITH RESTRICTED DELIVERY			
SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY WITH RESTRICTED DELIVERY			
TOTAL POSTAGE AND FEES		\$ 2.40	
POSTMARK OR DATE		7-7-82	

PS Form 3800, Apr. 1976

P 265 320 207

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL
(See Reverse)

SENT TO		Bill Grobe	
STREET AND NO.		P. O. Drawer "G"	
P.O. STATE AND ZIP CODE		Jal, NM 88252	
POSTAGE		\$ 1.05	
CERTIFIED FEE		0.75	
SPECIAL DELIVERY			
RESTRICTED DELIVERY			
CONSULT POSTMASTER FOR FEES			
OPTIONAL SERVICES			
RETURN RECEIPT SERVICE		0.60	
SHOW TO WHOM AND DATE DELIVERED			
SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY			
SHOW TO WHOM AND DATE DELIVERED WITH RESTRICTED DELIVERY			
SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY WITH RESTRICTED DELIVERY			
TOTAL POSTAGE AND FEES		\$ 2.40	
POSTMARK OR DATE		7-7-82	

PS Form 3800, Apr. 1976

BASE

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

Handwritten initials: JLR and others

CASE NO. 7662

Order No. R- >082

APPLICATION OF CARTER FOUNDATION
PRODUCTION COMPANY FOR A WATERFLOOD
PROJECT, LEA COUNTY, NEW MEXICO.

Handwritten signature and initials

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on September 1, 1982, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this _____ day of September, 1982, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Carter Foundation Company, seeks authority to expand its Waterflood Project on its Blaine-Cade

in the Langhe Mattix

~~Pool~~ by the injection of water into the Queen formation through its Mattix Federal Wells Nos. 2, 5, 6 located in Units C, E, and ~~7~~ ⁹, respectively, in Section 3, Township 24 South, Range 37 East, NMPM, Lea County, New Mexico.

(3) *That the proposed injection is not an expansion of said Blaine-Cade project but is in fact a new project.*

(4) ~~43~~ That the wells in the project area are in an advanced state of depletion and should properly be classified as "stripper" wells.

(5) ~~44~~ That the proposed waterflood project should result in the recovery of otherwise unrecoverable oil, thereby preventing waste.

(6) That the operator should take all steps necessary to ensure that the injected water enters only the proposed injection interval and is not permitted to escape to other formations or onto the surface from injection, production, or plugged and abandoned wells.

(7) ~~45~~ That the injection wells or injection pressurization system should be so equipped as to limit injection pressure at the wellhead to no more than 900 psi, but the Division Director should have authority to increase said pressure limitation, should circumstances warrant.

(7) That the subject application should be approved and the project should be governed by the provisions of Rules 702 through 708 of the Division Rules and Regulations.

IT IS THEREFORE ORDERED:

(1) That the applicant, Carter Foundation Production Company, is hereby authorized to ^{institute a} ~~expand its~~ waterflood project on its ~~Blino~~ ^{Mattix Federal} Lease, Langh. Matix Pool, by the injection of water into the Queen formation through its Mattix Federal Wells Nos. 2, 5, and 6, located in Units C, E, and ~~0~~, respectively, in Section 3, Township 24 South, Range 37 East, NMPM, Lea County, New Mexico.

(2) That injection into each of said wells shall be through internally coated tubing, set in a packer which shall be located as near as practicable to the uppermost perforation ^{or, in} ~~that~~ the casing-tubing annulus of each injection well shall be loaded with an inert fluid and equipped with an approved pressure gauge or attention-attracting leak detection device.

The case of an open hole completion, the casing shoe;

(3) That the operator shall immediately notify the supervisor of the Division's Hobbs district office of the failure of the tubing or packer in any of said injection wells, the leakage of water or oil from around any producing well, or the leakage of water or oil from any plugged and abandoned well within the project area and shall take such timely steps as may be necessary or required to correct such failure or leakage.

(4) That the injection wells herein authorized and/or the injection pressurization system shall be so equipped as to limit injection pressure at the wellhead to no more than 900 psi, provided however, the Division Director may authorize a

higher surface injection pressure upon satisfactory showing that such pressure will not result in fracturing of the confining strata.

(5) That the subject waterflood project is hereby designated the Carthage - Mattox Waterflood Project and shall be governed by the provisions of Rules 701 through 708 of the Division Rules and Regulations.

(6) That monthly progress reports of the waterflood project herein authorized shall be submitted to the Division in accordance with Rules 706 and 1115 of the Division Rules and Regulations.

(7) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

JOE D. RAMEY,
Director

S E A L