

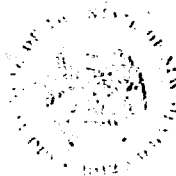
CASE 5538: PHILLIPS PETROLEUM COMPANY
FOR A DUAL COMPLETION AND SALT WATER
DISPOSAL, CHAVES COUNTY, NEW MEXICO

CASE NO.

5538

APPLICATION,
TRANSCRIPTS,
SMALL EXHIBITS,

ETC.



OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

P. O. BOX 2088 - SANTA FE

87501

September 9, 1975

Tom Kellahin
Kellahin & Fox
Attorneys at Law
Post Office Box 1769
Santa Fe, New Mexico

Re: CASE NO. 5538
ORDER NO. R-5090

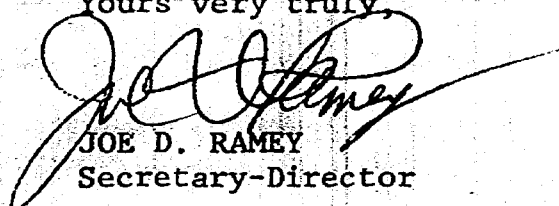
Applicant:

Phillips Petroleum Company

Dear Sir:

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

Yours very truly,


JOE D. RAMEY
Secretary-Director

JDR/fd

Copy of order also sent to:

Hobbs OCC x
Artesia OCC _____
Aztec OCC _____

Other _____

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

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

CASE NO. 5538
Order No. R-5090

APPLICATION OF PHILLIPS PETROLEUM
COMPANY FOR A DUAL COMPLETION AND
SALT WATER DISPOSAL, CHAVES COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on August 13, 1975, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 9th day of September, 1975, 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, Phillips Petroleum Company, seeks authority to complete its Luther-A Well No. 1, located in Unit N of Section 18, Township 8 South, Range 32 East, NMPM, Chaves County, New Mexico, as a dual completion to produce oil from the Lonesome-San Andres Pool from the perforated interval from 4,118 feet to 4,248 feet and to dispose of produced salt water in the Glorieta formation through the open-hole interval from 4,584 feet to 4,720 feet.
- (3) That the production of oil from the San Andres formation and the disposal of water into the Glorieta formation will be accomplished through parallel strings of 2 3/8-inch tubing, the injection string being plastic-lined, with separation of the zones by means of a packer at 4,520 feet.
- (4) That the mechanics of the proposed dual completion are feasible and in accord with good conservation practices.
- (5) That approval of the subject application will prevent waste and protect correlative rights.

-2-
Case No. 5538
Order No. R-5090

IT IS THEREFORE ORDERED:

(1) That the applicant, Phillips Petroleum Company, is hereby authorized to complete its Luther-A Well No. 1, located in Unit N of Section 18, Township 8 South, Range 32 East, NMPM, Chaves County, New Mexico, as a dual completion to produce oil from the Lonesome-San Andres Pool from perforations from 4,118 feet to 4,248 feet, and to dispose of produced salt water into the Glorieta formation through parallel strings of tubing, injection to be accomplished through 2 3/8-inch plastic-lined tubing installed in a packer set at approximately 4,520 feet, with injection into the open-hole interval from approximately 4,584 feet to 4,720 feet.

PROVIDED HOWEVER, that the applicant shall complete, operate, and produce said well in accordance with the provisions of Rule 112-A of the Commission Rules and Regulations insofar as said rule is not inconsistent with this order;

PROVIDED FURTHER, that the applicant shall take packer leakage tests upon completion and annually thereafter during the Annual Gas-Oil Ratio Test Period for the Lonesome-San Andres Pool.

(2) That the operator shall notify the supervisor of the Hobbs district office of the Commission of the date and time of the installation of disposal equipment so that the same may be inspected.

(3) That the operator shall immediately notify the supervisor of the Commission's Hobbs district office of the failure of the tubing, casing, or packer, in said well or the leakage of water from or around said well and shall take such steps as may be timely and necessary to correct such failure or leakage.

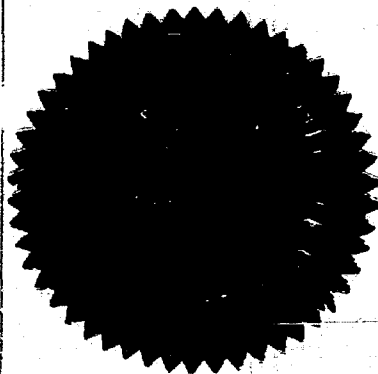
(4) That the applicant shall submit monthly reports of its disposal operations in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.

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

-3-
Case No. 5538
Order No. R-5090

DONE at Santa Fe, New Mexico, on the day and year herein-
above designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



Phil R. Lucero
PHIL R. LUCERO, Chairman

Emery C. Arnold
EMERY C. ARNOLD, Member

Joe D. Ramey
JOE D. RAMEY, Member & Secretary

S E A L

dr/

dr/

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

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

CASE No. 5538

Order No. R- 5090

APPLICATION OF PHILLIPS PETROLEUM
COMPANY FOR A DUAL COMPLETION AND SALT
WATER DISPOSAL, CHAVES COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on August 13, 1975
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 13 day of August, 1975, 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, Phillips Petroleum Company, seeks authority
to complete its Luther-A Well No. 1, located in Unit N of Section 18,
Township 8 South, Range 32 East, NMPM, Chaves County, New Mexico, as
a dual completion to produce oil from the
Lonesome-San Andres Pool, and to dispose from the perforated
interval from 4118 feet to 4248 feet and to dispose of
produced saltwater in the Glorieta formation through the
open-hole interval from 4584 feet to 4720 feet.

-2-
Case No. 5538
Order No. R-

2 3/8-inch tubing, the
injection string being
plastic-lined,

That the production of oil from the San Andres
(3) ~~Applicant further seeks to dispose of produced water into~~
formation and the disposal of water into the Glorieta
~~the Glorieta formation in the open-hole interval from 4584 feet to~~
formation will be accomplished through
~~4720 feet through parallel strings of tubing, with separation of~~
the zones by means of a packer at 4520 feet.

(4) That the mechanics of the proposed dual completion are feasible and in accord with good conservation practices.

(5) That approval of the subject application will prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Phillips Petroleum Company, is hereby authorized to complete its Luther-A Well No. 1, located in Unit N of Section 18, Township 8 South, Range 32 East, NMPM, Chaves County, New Mexico, as a dual completion ~~to~~ *from perforations from 4118 feet to 4248 feet,* produce oil from the Lonesome-San Andres Pool ~~and to~~

PROVIDED HOWEVER, that the applicant shall complete, operate, and produce said well in accordance with the provisions of Rule 112-A of the Commission Rules and Regulations insofar as said rule is not inconsistent with this order;

PROVIDED FURTHER, that the applicant shall take packer leakage tests upon completion and annually thereafter during the Annual Gas-oil Ratio Test Period for the Lonesome-San Andres Pool.

(2) ~~That the applicant is further authorized to utilize~~
~~the above-described well to dispose of produced salt water into~~
through parallel strings of tubing,
the Glorieta formation, injection to be accomplished through
2 3/8 plastic-lined
-inch tubing installed in a packer set at
approximately 4520 feet, with injection into the open-hole
interval from approximately 4584 feet to 4720 feet, ~~through parallel~~
strings of tubing.

-3-
Case No. 5538
Order No. R-

~~PROVIDED HOWEVER, that the tubing shall be plastic-lined,
that the casing tubing annulus shall be filled with an inert fluid,
and that a pressure gauge shall be attached to the annulus or the
annulus shall be equipped with an approved leak detection device
in order to determine leakage in the casing, tubing, or packer.~~

~~(3) That the injection well or system shall be equipped
with a pop-off valve or acceptable substitute which will limit the
wellhead pressure on the injection well to no more than 700 psi.~~

²
~~(3)~~ That the operator shall notify the supervisor of the
^{Hobbs}
~~Artesia~~ district office of the Commission of the date and time of
the installation of disposal equipment so that the same may be
inspected.

³
~~(4)~~ That the operator shall immediately notify the supervisor
of the Commission's ^{Hobbs}
~~Artesia~~ district office of the failure of the
tubing, casing, or packer, in said well or the leakage of water
from or around said well and shall take such steps as may be timely
and necessary to correct such failure or leakage.

⁴
~~(5)~~ That the applicant shall submit monthly reports of its
disposal operations in accordance with Rules 704 and 1120 of the
Commission Rules and Regulations.

⁵
~~(6)~~ 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.

NEW MEXICO OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
APPLICATION FOR MULTIPLE COMPLETION

Form C-107
5-1-61

Operator Phillips Petroleum Company		County Chaves	Date 7-18-75
Address Room 711, Phillips Bldg., Odessa, TX 79761		Lease Luther-A	Well No. 1
Location of Well	Unit N	Section 18	Township 8S
			Range 32-E

1. Has the New Mexico Oil Conservation Commission heretofore authorized the multiple completion of a well in these same pools or in the same zones within one mile of the subject well? YES _____ NO ☒ X
2. If answer is yes, identify one such instance: Order No. _____ ; Operator Lease, and Well No.: _____

3. The following facts are submitted:	Upper Zone	Intermediate Zone	Lower Zone
a. Name of Pool and Formation	San Andres	---	Glorieta
b. Top and Bottom of Pay Section (Perforations)	4118' - Top 4248' - Bottom	---	4645' Top 4584' Top of OH 4720' PBD Bottom
c. Type of production (Oil or Gas)	Oil	---	Salt Water Disposal
d. Method of Production (Flowing or Artificial Lift)	Artificial Lift	---	Gravity Flow

4. The following are attached. (Please check YES or NO)
- | | | |
|--|--|---|
| Yes <input checked="" type="checkbox"/> XX | No <input type="checkbox"/> | a. Diagrammatic Sketch of the Multiple Completion, showing all casing strings, including diameters and setting depths, centralizers and packers, and location thereof, quantities used and top of cement, perforated intervals, tubing strings, including diameters and setting depth, location and type of packers and side door chokes, and such other information as may be pertinent to the completion of the well. |
| <input checked="" type="checkbox"/> XX | <input type="checkbox"/> | b. Plat showing the location of all wells on applicant's lease, all offset wells on offset leases, and the names and addresses of operators of all leases offsetting applicant's lease. |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> XX | c. Waivers consenting to such multiple completion from each offset operator, or in lieu thereof, evidence that said offset operators have been furnished copies of the application.* Requested hereby. |
| <input checked="" type="checkbox"/> XX | <input type="checkbox"/> | d. Electrical log of the well or other acceptable log with tops and bottoms of producing zones and intervals of perforation indicated thereon. (If such log is not available at the time application is filed it shall be submitted as provided by Rule 11.2.) |

5. List all offset operators to the lease on which this well is located together with their correct mailing address.

Exxon Company, U.S.A.; Box 1600; Midland, Texas 79701

Superior Oil Company; Box 1900; Midland, Texas 79701

BEFORE EXAMINER NUTTER
OIL CONSERVATION COMMISSION
Phillips EXHIBIT NO. **2**
CASE NO. **5538**

6. Were all operators listed in Item 5 above notified and furnished a copy of this application? YES ☒ XX NO _____. If answer is yes, give date of such notification _____.

CERTIFICATE: I, the undersigned, state that I am the duly authorized agent of the Phillips Petroleum Company (company), and that I am authorized by said company to make this report; and that this report was prepared under my supervision and direction and that the facts stated therein are true, correct and complete to the best of my knowledge.

[Signature]
W. J. Mueller, Senior Reservoir Engineer

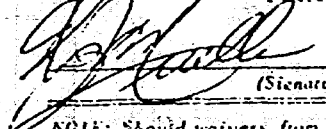
*Should waivers from all offset operators not accompany an application for administrative approval, the New Mexico Oil Conservation Commission will hold the application for a period of twenty (20) days from date of receipt by the Commission's Santa Fe office. If, after said twenty day period, no protest nor request for hearing is received by the Santa Fe office, the application will then be processed.

NOTE: If the proposed multiple completion will result in an unorthodox well location and/or a non-standard perforation unit in one or more of the producing zones, then separate application for approval of the same should be filed simultaneously with this application.

NEW MEXICO OIL CONSERVATION COMMISSION
APPLICATION TO DISPOSE OF SALT WATER BY INJECTION INTO A POROUS FORMATION

OPERATOR Phillips Petroleum Company		ADDRESS Room 711, Phillips Building, Odessa, TX 79761			
LEASE NAME Luther-A	WELL NO. 1	FIELD Undesignated Glorieta	COUNTY Chaves		
LOCATION UNIT LETTER N WELL IS LOCATED 660 FEET FROM THE South LINE AND 1980 FEET FROM THE west LINE. SECTION 18 TOWNSHIP 8S RANGE 32E NMPM.					
CASING AND TUBING DATA					
NAME OF STRING	SIZE	SETTING DEPTH	SACKS CEMENT	TOP OF CEMENT	TOP DETERMINED BY
SURFACE CASING	13-3/8"	427	500 sx Class H w/2% Ca Cl₂	Surface	Circ. 145 sx.
INTERMEDIATE	8-5/8"	4584	850 sx TRLW w/10% DD 7-# salt&325 sx	2000'	Temperature Surve
LONG STRING			Class H w/2% Ca Cl₂		
TUBING	2-3/8"	4520'	NAME, MODEL AND DEPTH OF TUBING PACKER Baker Model D 4520'		
NAME OF PROPOSED INJECTION FORMATION Glorieta		TOP OF FORMATION 4645'		BOTTOM OF FORMATION 4720' PBTD	
IS INJECTION THROUGH TUBING, CASING, OR ANNULUS? Tubing		PERFORATIONS ON OPEN HOLE? Open Hole		PROPOSED INTERVAL(S) OF INJECTION OH 4584' to 4720'	
IS THIS A NEW WELL DRILLED FOR DISPOSAL? No		IF ANSWER IS NO, FOR WHAT PURPOSE WAS WELL ORIGINALLY DRILLED? Drilled to TD of 10620'-test Atoka; PB to 4535,		HAS WELL EVER BEEN PERFORATED IN ANOTHER ZONE OTHER THAN THE PROPOSED INJECTION ZONE? Yes	
LIST ALL SUCH PERFORATED INTERVALS AND SACKS OF CEMENT USED TO SEAL OFF ON SQUEEZE BACK 4118-4248' (Dually completed producer) complete in San Andres)					
DEPTH OF BOTTOM OF DEEPEST FRESH WATER ZONE IN THIS AREA 425		DEPTH OF BOTTOM OF NEXT HIGHER OIL OR GAS ZONE IN THIS AREA 4535		DEPTH OF TOP OF NEXT LOWER OIL OR GAS ZONE IN THIS AREA None	
ANTICIPATED DAILY INJECTION VOLUME (BBL/D) 25	MINIMUM 25	MAXIMUM 500	OPEN OR CLOSED TYPE SYSTEM Closed	IS INJECTION TO BE BY GRAVITY OR PRESSURE? Gravity	APPROX. PRESSURE (PSI) -
WARRANTY: ON WHATEVER THE FOLLOWING WATERS ARE MINORATED TO SUCH A DEGREE AS TO BE UNSUITABLE FOR DOMESTIC, IRRIGATION, OR OTHER GENERAL USE...			WATER TO BE DISPOSED OF Yes	NATURAL WATER IN DISPOSAL ZONE Yes	ARE WATER ANALYSES ATTACHED? No
NAME AND ADDRESS OF SURFACE OWNER (OR LESSEE, IF STATE ON FEDERAL LAND) United States Dept. of Interior w/H. H. Davis; Milnesand, New Mexico, as surface lessee					
LIST NAMES AND ADDRESSES OF ALL OPERATORS WITHIN ONE-HALF (1/2) MILE OF THIS INJECTION WELL Exxon Company-U.S.A.; Box 1600; Mildand, Texas 79701 Superior Oil Company; Box 1900; Midland, Texas 79701					
BEFORE EXAMINER NUTTER OF CONSERVATION COMMISSION Phillips EXHIBIT NO. 3 CASE NO. 5538					
HAVE COPIES OF THIS APPLICATION BEEN SENT TO EACH OF THE FOLLOWING?		SURFACE OWNER Yes		EACH OPERATOR WITHIN ONE-HALF MILE OF THIS WELL Yes	
ARE THE FOLLOWING ITEMS ATTACHED TO THIS APPLICATION (SEE RULE 701-D)?		PLAN OF AREA Yes		ELECTRICAL LOG Yes	
				DIAGRAMMATIC SKETCH OF WELL Yes	

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

**W. J. Mueller**
(Signature)**Senior Reservoir Engineer**
(Title)**7-18-75**
(Date)

NOTE: Should waivers from the surface owner and all operators within one-half mile of the proposed injection well not accompany this application, the New Mexico Oil Conservation Commission will hold the application for a period of 15 days from the date of receipt by the Commission's Santa Fe office. At the end of the 15-day waiting period no protest has been received by the Santa Fe office, the application will be processed. If a protest is received, the application will be set for hearing, if the applicant so requests. SEE RULE 701.

13-3/8", 40#, H-40, @
427' cemented w/355
sacks. Circ. 145 sxs.

*Angulus
Loaded?*

T.O.C. 2,000'. *no*
Top San Andres 3,320'.

Perfs:
4,118-4,130'
4,149-4,151'
4,157-4,160'
4,226-4,248'

8-5/8", 32#, K-55, @
4,584' cemented
w/1,175 sacks.

Top of Glorieta 4,645'.
PBTD 4,720'.

Production string: 2-3/8" O.D.
EUE tubing.

Disposal string: 2-3/8"
plastic lined (Salta) EUE
tubing.

Tubing to be externally glass-
wrapped from 4,100' to 4,520'
(420').

Parallel string tubing anchor
@ 4,100'. (J-latch w/ R-H
release.)

BEFORE EXAMINER NUTTER
OIL CONSERVATION COMMISSION
Phillips EXHIBIT NO. 4
CASE NO. 5538

Retainer production packer
(Model D w/nickel plated anchor
seal assembly) set @ 4,520'.

NO.	REVISION	BY	DATE	CHKD	APP'D
FOR BIDS		PHILLIPS PETROLEUM COMPANY		DATE NO.	FILE CODE
FOR APPR		BARTLESVILLE, OKLAHOMA		SCALE	
FOR CONST		LUTHER "A" NO. 1		UNLESS OTHERWISE NOTED	
DESIGN		N, Section 18, T-8-S, R-32-E, Chaves County, N.M.		DWG NO.	
DRAWN		PROPOSED COMPLETION FOR H ₂ O DISPOSAL		SH NO.	
CHECKED					
APP'D					

FORM 1779 10-73

PRINTED IN U.S.A.

HALLIBURTON DIVISION LABORATORY
HALLIBURTON COMPANY
LOVINGTON, NEW MEXICO

LABORATORY WATER ANALYSIS

No. W75-151To Phillips Petroleum CompanyDate 3-4-75Box 1178Lovington, New Mexico

This report is the property of Halliburton Company and neither it nor any part thereof nor a copy thereof is to be published or disclosed without first securing the express written approval of laboratory management. It may however, be used in the course of regular business operations by any person or persons and employees thereof receiving such report from Halliburton Company.

Submitted by _____

Date Rec. 3-4-75Well No. Luther A #1

Depth _____

Formation SAN PEDRO

County _____

Field Wildcat

Source _____

Resistivity 0.056 @ 72° F.Specific Gravity 1.115pH 2.3Calcium (Ca) 14,600

*MPL

Magnesium (Mg) 1,260Chlorides (Cl) 103,000103,000Sulfates (SO₄) 2,950Bicarbonates (HCO₃) NilSoluble Iron (Fe) 160

Remarks:

BEFORE EXAMINER NUTTER
OIL CONSERVATION COMMISSION
Phillips EXHIBIT NO. 5
CASE NO. 5538

Respectfully submitted,

Analyst: Brewer
cc:

HALLIBURTON COMPANY

By W. J. [Signature]

CHEMIST

NOTICE

This report is limited to the described sample tested. Any user of this report agrees that Halliburton shall not be liable for any loss or damage, whether it be to act or omission, resulting from such report or its use.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
August 13, 1975

EXAMINER HEARING

IN THE MATTER OF:

Application of Phillips Petroleum
Company for a dual completion and salt
water disposal, Chaves County, New Mexico

CASE
5538

BEFORE: Daniel S. Nutter, Examiner.

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the New Mexico Oil
Conservation Commission:

Thomas Derryberry, Esq.
Legal Counsel for the Commission
State Land Office Building
Santa Fe, New Mexico

For the Applicant:

Thomas W. Kellahin, Esq.
KELLAHIN & FOX
Attorneys at Law
500 Don Gaspar
Santa Fe, New Mexico
and
Joe V. Peacock, Esq.
Attorney at Law
Odessa, Texas

sid morish reporting service
General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 982-9212

I N D E X

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

Page

GARY KRIEGER

Direct Examination by Mr. Kellahin	3
Cross Examination by Mr. Nutter	10

EXHIBIT INDEX

Page

Offered Admitted

Exhibit Number One, Map	9	9
Exhibit Number Two, Application	9	9
Exhibit Number Three, Application	9	9
Exhibit Number Four, Sketch	9	9
Exhibit Number Five, Water Analysis	9	9
Exhibit Number Six, Log	9	9

sid morish reporting service
General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 981-9212

sid morrish reporting service
General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 987-9212

1 MR. NUTTER: We will call Case Number 5538.

2 MR. DERRYBERRY: Case 5538, application of Phillips
3 Petroleum Company for a dual completion and salt water
4 disposal, Chaves County, New Mexico.

5 (THEREUPON, the witness was duly sworn.)

6 MR. KELLAHIN: Tom Kellahin, Kellahin and Fox,
7 Santa Fe, New Mexico appearing on behalf of Phillips Petroleum
8 Company in association with Mr. Joe Peacock, an attorney
9 at law and a counsel for the Phillips Petroleum Company.

10 We have one witness who has already been sworn.

11
12 GARY KRIEGER

13 called as a witness, having been first duly sworn, was
14 examined and testified as follows:

15
16 DIRECT EXAMINATION

17 BY MR. KELLAHIN:

18 Q Would you please state your name, by whom you are
19 employed, and in what capacity?

20 A Gary Krieger, I'm employed by Phillips Petroleum
21 Company as an Associate Reservoir Engineer.

22 Q How do you spell your last name?

23 A K-r-i-e-g-e-r.

24 Q Have you previously testified before the Commission?

25 A No.

1 Q Where did you obtain your degree and in what did
2 you obtain your degree?

3 A I have a Bachelor of Science in Petroleum Engineering
4 from Colorado School of Mines.

5 Q When did you obtain that degree?

6 A In 1972.

7 Q What other degrees do you hold?

8 A A Masters in Business Administration from the
9 University of Denver in 1974.

10 Q Since graduation where have you been employed and
11 in what capacity?

12 A I have been employed by the Phillips Petroleum
13 in Odessa for a year and a half now.

14 Q Have you made a study of and are you familiar with
15 the facts surrounding this particular application?

16 A Yes, sir.

17 MR. KELLAHIN: If the Examiner please, are the
18 witness's qualifications acceptable?

19 MR. NUTTER: Yes, they are.

20 Q (Mr. Kellahin continuing.) Would you please refer
21 to what has been marked as Applicant's Exhibit Number One,
22 identify it and state what Phillips is seeking?

23 A Our first exhibit shows the area within a two-mile
24 radius surrounding our Luther-A No. 1. We are requesting
25 permission to dual complete and dispose of produced San Andres

sid morrish reporting service

General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 987-9212

1 water in the Glorieta formation.

2 Luther-A No. 1 is located in Section 18, 8 South,
3 32 in Chaves County.

4 Q What is the proration unit to be dedicated to the
5 well?

6 A Forty acres.

7 Q Please refer to Exhibit Two and identify it?

8 A The second exhibit is the application for multiple
9 completion which was filed July 18th, '75. As previously
10 stated we are producing oil from the San Andres formation
11 and request permission to complete and inject salt water
12 in the open hole from forty-five eighty-four to forty-seven
13 twenty by gravity flow.

14 Q The formation for disposal is designated as
15 Glorieta, is that right?

16 A Yes, it is. The Glorieta at forty-six, forty-five.

17 Q Please refer to Exhibit Three and identify it.

18 A Our third Exhibit is the application to dispose of
19 salt water by injection into the Glorieta formation. The
20 bottom of the fresh water zone in this area is four hundred
21 and twenty-five feet and we propose to inject a minimum of
22 twenty-five barrels to a maximum of five hundred barrels per
23 day.

24 Q Will this be under pressure or gravity?

25 A Gravity.

sid morrish reporting service
General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 987-9212

1 Q You are disposing of produced water only from the
2 San Andres formation in this particular well, is that correct?

3 A This is correct.

4 Q Have you been upon the surface location of this
5 well?

6 A Yes.

7 Q Are there any fresh water sources or wells in the
8 area?

9 A There is a rancher who has a well approximately
10 a half-a-mile to the west of our Luther-B in Section 19.

11 Q Would you locate for me on the exhibit the approxi-
12 mate location of that fresh water well by circling it?

13 A Yes, sir.

14 Q It would be in the northeast of the northeast of
15 Section 19, is that correct?

16 A That's right.

17 Q Okay. In your opinion will there be any risk of
18 contamination to fresh water sources, including this farmer's
19 well, from the disposal of salt water through the Glorieta
20 formation in this well?

21 A No, sir.

22 Q Please refer to what has been marked as Exhibit
23 Number Four?

24 A Our fourth exhibit is a diagrammatic sketch of
25 the well showing its proposed dual completion. We are

sid morrison reporting service
General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 982-9212

sid morrish reporting service
General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 981-9212

1 proposing to use a production string of two and three-eighths
2 inch EUE tubing, a disposal string of two and three-eighths
3 inch plastic line, and we will produce the San Andres
4 under a parallel string tubing anchor and we will inject
5 below a retainer production packer at fortyfive twenty
6 into the Glorieta. This is approximately sixty feet above
7 the shoe.

8 Q Will you fill the annular spaces above the parallel
9 string of tubing anchor?

10 A Yes, with water.

11 Q What kind of surface installation do you have?

12 A We have a tank battery there with three five
13 hundred barrel tanks.

14 Q How often will you monitor the well?

15 A We have a pumper who is supposed to make the trip
16 every day each week, or at least every other day.

17 Q What type of surface gauges are on the surface?

18 A We will have just a liquid level in the tanks to
19 gauge the water production.

20 Q What is the capacity of the tank battery at the
21 surface?

22 A Five hundred. Excuse me, the water or the oil?

23 Q The water.

24 A The water will be approximately five hundred
25 barrels.

1 Q Please refer to Exhibit Number Five and identify
2 it?

3 A The fifth exhibit is a water analysis of the
4 San Andres water in the Luther-A No. 1.

5 Q In your opinion will the type of completion
6 anticipated for this well be consistent with good engineering
7 practices contingent upon the quality of water here?

8 A Yes, sir.

9 Q Please refer to Exhibit Number Six and identify it?

10 A Our sixth exhibit is the borehole compensated sonic
11 log. The formation tops and well information has been marked
12 on the two-inch scale.

13 Q Okay.

14 A This is Glorieta sand, the sample shown is a clear
15 to frosted unconsolidated fine to medium grained rounded
16 quartzitic sand and we tested this similar Glorieta sand in
17 our Wilcox-A No. 1 which is located in Section 21, 5 South,
18 30 East and we have recovered two thousand, four hundred and
19 seventy-five feet of drilling mud and formation water at an
20 instantaneous shut down pressure of eighteen hundred and
21 eighty pounds.

22 Pan American in their White Federal No. 1 in
23 Section 13, 9, 30 South tested this Glorieta also and they
24 recovered one hundred and twenty-seven barrels of water in
25 ten hours.

sid morrish reporting service

General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 982-9212

1 Based on our water analysis of the Luther water,
2 with a specific gravity of one point one, one, five or
3 forty-eight one-hundredths psi per foot, we will have a
4 hydrostatic head of twenty-two hundred pounds at the shoe
5 which should overcome this anticipated pressure in the
6 Glorieta.

7 Q Is this well currently producing?

8 A Yes, it is.

9 Q How are you currently disposing of the produced
10 salt water?

11 A We are trucking the water out of the location.

12 Q Were Exhibits One through Six either prepared by
13 you directly or under your direction and supervision?

14 A Yes, sir, they were.

15 Q In your opinion will approval of this application
16 be in the best interests of conservation, the prevention of
17 waste and the protection of correlative rights?

18 A Yes, they will.

19 MR. KELLAHIN: If the Examiner please, we move the
20 introduction of Exhibits One through Six.

21 MR. NUTTER: Phillips' Exhibits One through Six
22 will be admitted into evidence.

23 MR. KELLAHIN: That concludes our direct examination.
24
25

sid morish reporting service

General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 982-9212

CROSS EXAMINATION

BY MR. NUTTER:

Q Mr. Krieger, you mentioned that the water to be disposed of in this particular well would be produced by this particular well, yet I notice on Exhibit One that you apparently have a new location for drilling in the same section and maybe another one?

A This is true. We have the 2-A and 3-A that are proposed locations as of right now. We have just recently completed Luther-B No. 1 just to the southwest of the A.

Q That is a completed well now?

A Yes, sir.

Q In the San Andres?

A Yes. We have swab tested this well at three barrels of oil per hour and nine barrels of water per hour and we are waiting for a pumping unit to continue testing this well.

Q Then what about the 2-A and 3-A on the Luther lease?

A They are just proposed locations right now.

Q Well, eventually then this 1-A maybe handling water from additional wells besides the one?

A Yes, sir.

Q And I suppose that was the reason for stating that you anticipate injection volumes would range from twenty-five

1 to five hundred barrels?

2 A. Correct.

3 Q. Okay, now, on your Exhibit Five I'm having a little
4 difficulty reading the figure here for chlorides. Could you
5 tell me what that figure is?

6 A. Yes, sir, that is one hundred and three thousand.

7 Q. One hundred and three thousand parts per million.

8 Now, you said that the annulus would be loaded with an
9 inert fluid, how can you keep that inert fluid in there?
10 Does this tubing anchor act as a packer?

11 A. No, I was mistaken this is just an anchor, it is
12 not a packer.

13 Q. So you won't be able to load the annulus?

14 A. That's right.

15 Q. But the tubing will be a plastic-lined tubing?

16 A. Yes, sir.

17 Q. Now, this production packer with a nickel-plated
18 anchor seal assembly, is that supposed to be a corrosion-
19 proof type of packer?

20 A. Yes, sir, I believe so.

21 Q. And the four hundred and twenty-seven feet of
22 surface pipe here, does it penetrate and go through all of
23 the fresh water sands that are in the area?

24 A. Yes, sir, it is set two feet below what they
25 anticipate the lowest fresh water sand is.

sid morrish reporting service

General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 982-9212

1 Q How deep is that water well that you mentioned in
2 Section 19?

3 A I cannot say right now, I don't know.

4 MR. NUTTER: Are there any further questions of
5 this witness?

6 MR. KELLAHIN: No, sir.

7 MR. NUTTER: The witness maybe excused.

8 Do you have anything further, Mr. Kellahin?

9 MR. KELLAHIN: No, sir.

10 MR. NUTTER: Does anyone have anything they wish
11 to offer in Case 5538?

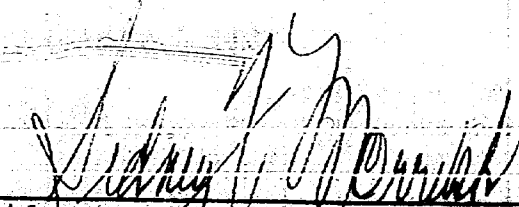
12 We will take the Case under advisement.
13
14
15
16
17
18
19
20
21
22
23
24
25

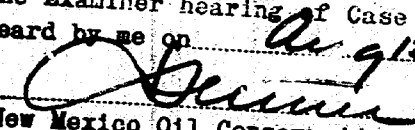
sid morrish reporting service
General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 982-9212

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

State of New Mexico)
) ss.
County of Santa Fe)

I, SIDNEY F. MORRISH, a court reporter, do hereby
certify that the foregoing and attached Transcript of Hearing
before the New Mexico Oil Conservation Commission was reported
by me, and the same is a true and correct record of the said
proceedings to the best of my knowledge, skill and ability.


Sidney F. Morrish, Court Reporter

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 5538
heard by me on Aug 9/75, 19 75.
, Examiner
New Mexico Oil Conservation Commission

sid morrish reporting service
General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 982-9212

CASE 5536: Application of Petroleum Development Corporation for a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the dual completion (conventional) of its McKay-West Federal Well No. 1 located in Unit F of Section 34, Township 18 South, Range 32 East, Lea County, New Mexico, to produce oil from the Bone Spring formation and gas from the Morrow formation through parallel strings of tubing.

CASE 5537: Application of Cotton Petroleum Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the E/2 of Section 10, Township 21 South, Range 25 East, adjacent to the Catclaw Draw-Morrow Gas Pool, Eddy County, New Mexico, to be dedicated to a well to be drilled at an orthodox location in Unit I of said Section 10. 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. Also to be considered will be the designation of the applicant as the operator of the well and a charge for the risk involved in drilling said well.

CASE 5538: Application of Phillips Petroleum Company for a dual completion and salt water disposal, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Luther-A Well No. 1, located in Unit N of Section 18, Township 8 South, Range 32 East, to produce oil from the Lonesome-San Andres Pool and to dispose of produced water into the Glorieta formation in the open-hole interval from 4584 feet to 4720 feet through parallel strings of tubing.

CASE 5152: (Reopened & Readvertised)

In the matter of Case No. 5152 being reopened pursuant to the provisions of Order No. R-4713, as amended by Order No. R-4713-A, which order established a special depth bracket allowable for the Media-Entrada Oil Pool, Sandoval County, New Mexico. All interested parties may appear and show cause why said special depth bracket allowable should remain in effect.

CASE 5262: (Reopened & Readvertised)

In the matter of Case No. 5262 being reopened pursuant to the provisions of Order No. R-4822-A, which order promulgated special pool rules for the Southwest Media-Entrada Oil Pool, Sandoval County, New Mexico, including a provision for 160-acre proration units. All interested parties may appear and show cause why said pool should not be developed on 40-acre spacing.

WAIVER

1975
NEW MEXICO OIL CONSERVATION COMMISSION
SANTA FE

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

Attention: Joe D. Ramey

Exxon has no objection to Phillips request to dually complete and dispose of saltwater into their Luther - A No. 1 Well located in Unit N, Section 18, T-8-5, R-32-E as proposed in their letter of July 17, 1975.

BY

B. W. Bunker

DATE

8-5-75

AM R

HNR/ss

cc: Phillips Petroleum Company, Odessa Texas



PHILLIPS PETROLEUM COMPANY

ODESSA, TEXAS 79761
PHILLIPS BUILDING

NATURAL RESOURCES GROUP
Exploration and Production

RECEIVED
JUL 23 1975
NEW MEXICO OIL CONSERVATION COMM.
Santa Fe
JUL 23 1975
NEW MEXICO OIL CONSERVATION COMM.

July 17, 1975

Luther-A No. 1
Application to Dually Complete
And for Salt Water Disposal ✓
Unit N, 18, 8-S, 32-E,
Chaves County

File: W4-Ta-54-75

*Set for
Hearing*

New Mexico Oil Conservation Commission (3)
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention: Mr. Joe D. Ramey,
Secretary-Director

Gentlemen:

We respectfully request administrative approval of exceptions to Rule 112-A-II for a conventional dual completion and to Rule 701-C for salt water disposal into a non-productive reservoir, as they apply to our Luther-A, Well No. 1 - located in Unit N, 660 feet from the south line and 1980 feet from the west line of Section 18, T-8-S, R-32-E, Chaves County. This well currently produces from the San Andres reservoir of the Lonesome San Andres Pool.

The Luther-A No. 1 was drilled to a total depth of 10,620 feet, and plugged back to 4535 feet for its present completion. We propose to clean out the well bore to approximately 4950 feet, spot cement plug, and dually complete in a conventional manner for SWD in the non-productive Glorieta open hole interval of 4584 feet to 4720 feet with the San Andres oil zone between 4118 and 4248 feet. These zones will be separated by a production type packer, and will be operated/produced through separate tubing strings. Forms C-107, C-108, lease and offset plat, diagrammatic completion sketch, and electric logs are attached in support of this request and further detail the proposed completion and operation. A similar oil/salt water disposal dual completion has previously been approved by the Commission in Order No. R-3949, dated April 22, 1970, which covered Phillips' operation of the Marley-A No. 1 = Unit P, Section 3, T-11-S, R-31-E, Chaves County.

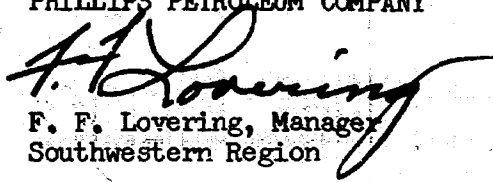
By copy hereof and the appropriate forms, offset and surface owners are notified of these applications and their waivers of objections are requested. It is understood that administrative action will be subject to the statutory waiting period when waivers are not enclosed with the application. If required, please schedule this proposal for hearing.

New Mexico Oil Conservation Commission
W4-Ta-54-75
July 17, 1975
Page 2

Please direct any inquiries to Mr. W. J. Mueller of this office - telephone (915) 337-8611. Your consideration in this matter is appreciated.

Yours very truly,

PHILLIPS PETROLEUM COMPANY


F. F. Lovering, Manager
Southwestern Region

FFL:HM:jc
Attachments

cc: With Attachments
New Mexico Oil Conservation Commission-Hobbs
USGS-Hobbs
Exxon Company-U.S.A., Box 1600,
Midland, Texas 79701
Superior Oil Company, Box 1900,
Midland, Texas 79701
H. H. Davis, Milnesand, New Mexico

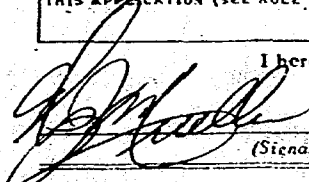
DOCKET MAILED

Date 8/4/75

NEW MEXICO OIL CONSERVATION COMMISSION
APPLICATION TO DISPOSE OF SALT WATER BY INJECTION INTO A POROUS FORMATION

OPERATOR Phillips Petroleum Company		ADDRESS Room 711, Phillips Building, Odessa, TX 79761			
LEASE NAME Luther-A	WELL NO. 1	FIELD Undesignated Glorieta	COUNTY Chaves		
LOCATION UNIT LETTER <u>N</u> WELL IS LOCATED <u>660</u> FEET FROM THE <u>south</u> LINE AND <u>1980</u> FEET FROM THE <u>west</u> LINE, SECTION <u>18</u> TOWNSHIP <u>8S</u> RANGE <u>32E</u> NMPM.					
CASING AND TUBING DATA					
NAME OF STRING SURFACE CASING	SIZE 13-3/8"	SETTING DEPTH 427	SACKS CEMENT 500 sx Class H w/2% Ca Cl ₂	TOP OF CEMENT Surface	TOP DETERMINED BY Circ. 145 sx.
INTERMEDIATE	8-5/8"	4584	850 sx TRLW w/10% salt & 325 sx Class H w/2% Ca Cl ₂	2000'	Temperature Survey
LONG STRING					
TUBING	2-3/8"	4520'	NAME, MODEL AND DEPTH OF TUBING PACKER Baker Model D 4520'		
NAME OF PROPOSED INJECTION FORMATION Glorieta		TOP OF FORMATION 4645'		BOTTOM OF FORMATION 4720' PBTB	
IS INJECTION THROUGH TUBING, CASING, OR ANNULUS? Tubing		PERFORATIONS OR OPEN HOLE? Open Hole		PROPOSED INTERVAL(S) OF INJECTION OH 4584' to 4720'	
IS THIS A NEW WELL DRILLED FOR DISPOSAL? No		IF ANSWER IS NO, FOR WHAT PURPOSE WAS WELL ORIGINALLY DRILLED? Drilled to TD of 10620'-test Atoka; PB to 4535, complete in San Andres)		HAS WELL EVER BEEN PERFORATED IN ANY ZONE OTHER THAN THE PROPOSED INJECTION ZONE? Yes	
LIST ALL SUCH PERFORATED INTERVALS AND SACKS OF CEMENT USED TO SEAL OFF OR SQUEEZE EACH					
4118-4248' (Dually completed producer)					
DEPTH OF BOTTOM OF DEEPEST FRESH WATER ZONE IN THIS AREA 425		DEPTH OF BOTTOM OF NEXT HIGHER OIL OR GAS ZONE IN THIS AREA 4535		DEPTH OF TOP OF NEXT LOWER OIL OR GAS ZONE IN THIS AREA None	
ANTICIPATED DAILY INJECTION VOLUME (BBL/DAY) 25	MINIMUM 25	MAXIMUM 500	OPEN OR CLOSED TYPE SYSTEM Closed	IS INJECTION TO BE BY GRAVITY OR PRESSURE? Gravity	APPROX. PRESSURE (PSI) --
ANSWER YES OR NO WHETHER THE FOLLOWING WATERS ARE MINERALIZED TO SUCH A DEGREE AS TO BE UNFIT FOR DOMESTIC, STOCK, IRRIGATION, OR OTHER GENERAL USE Yes			WATER TO BE DISPOSED OF Yes		
NATURAL WATER IN DISPOSAL ZONE Yes			ARE WATER ANALYSES ATTACHED? No		
NAME AND ADDRESS OF SURFACE OWNER (OR LESSEE, IF STATE OR FEDERAL LAND) United States Dept. of Interior w/H. H. Davis; Milnesand, New Mexico, as surface lessee					
LIST NAMES AND ADDRESSES OF ALL OPERATORS WITHIN ONE-HALF (1/2) MILE OF THIS INJECTION WELL					
Exxon Company-U.S.A.; Box 1600; Mildand, Texas 79701					
Superior Oil Company; Box 1900; Midland, Texas 79701					
HAVE COPIES OF THIS APPLICATION BEEN SENT TO EACH OF THE FOLLOWING?		SURFACE OWNER Yes		EACH OPERATOR WITHIN ONE-HALF MILE OF THIS WELL Yes	
ARE THE FOLLOWING ITEMS ATTACHED TO THIS APPLICATION (SEE RULE 701-B)?		FLAT OF AREA Yes		ELECTRICAL LOG Yes	
				DIAGRAMMATIC SKETCH OF WELL Yes	

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


W. J. Mueller
(Signature)Senior Reservoir Engineer
(Title)7-18-75
(Date)

NOTE: Should waivers from the surface owner and all operators within one-half mile of the proposed injection well not accompany this application, the New Mexico Oil Conservation Commission will hold the application for a period of 15 days from the date of receipt by the Commission's Santa Fe office. If at the end of the 15-day waiting period no protest has been received by the Santa Fe office, the application will be processed. If a protest is received, the application will be set for hearing, if the applicant so requests. SEE RULE 701.

13-3/8", 48#, H-40, @
427' cemented w/355
sacks. Circ. 145 sxs.

T.O.C. 2,000'.

Top San Andres 3,320'.

Perfs:

4,118-4,130'
4,149-4,151'
4,157-4,160'
4,226-4,248'

8-5/8", 32#, K-55, @
4,584' cemented
w/1,175 sacks.

Top of Glorieta 4,645'.
PBD 4,720'.

Production string: 2-3/8" O.D.
EUE tubing.

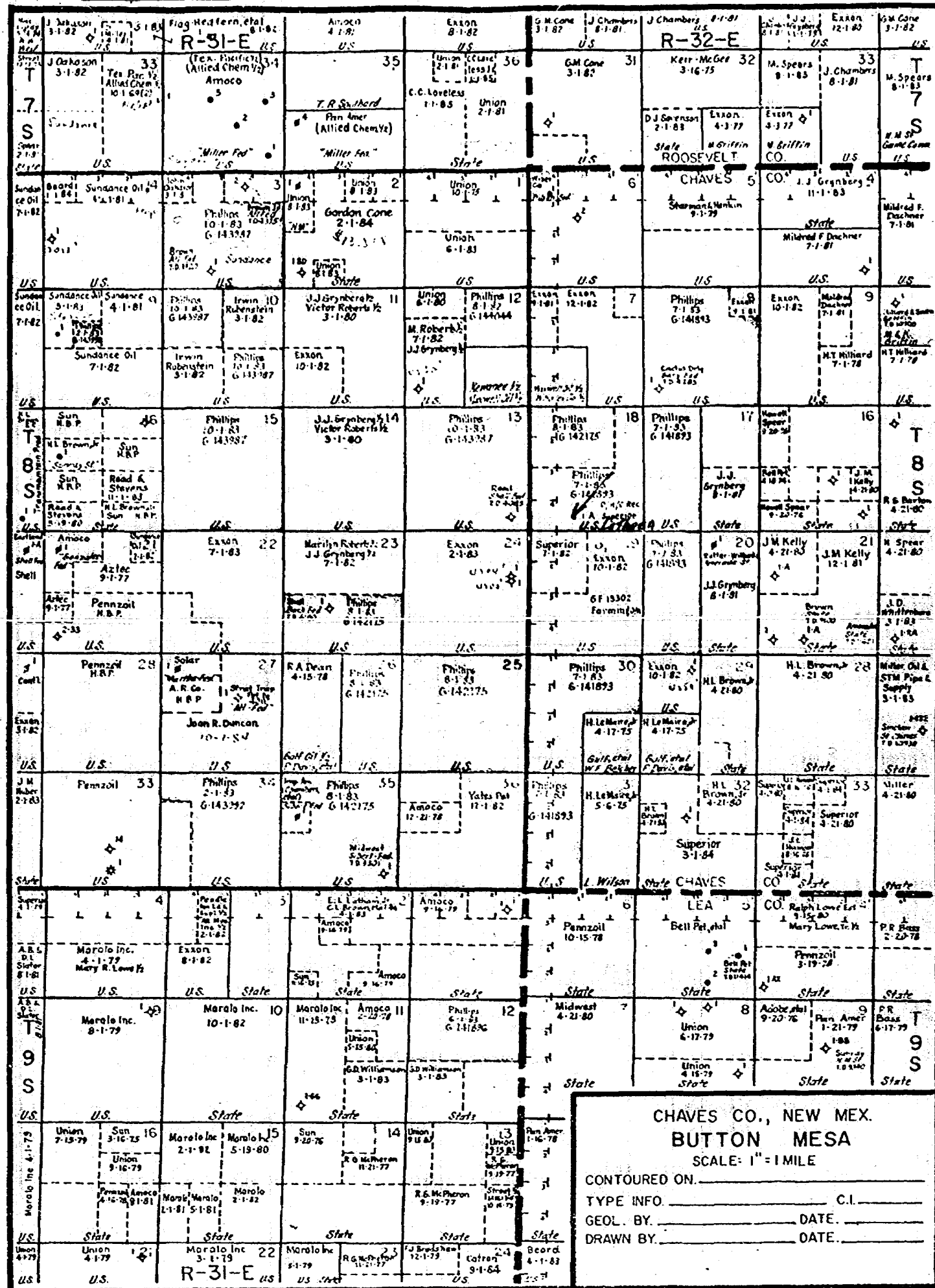
Disposal string: 2-3/8"
plastic lined (Salta) EUE
tubing.

Tubing to be externally glass-
wrapped from 4,100' to 4,520'
(420').

Parallel string tubing anchor
@ 4,100'. (J-latch w/ R-H
release.)

Retainer production packer
(Model D w/nickel plated anchor
seal assembly) set @ 4,520'.

NO.	REVISION	BY	DATE	CHKD	APP'D
FOR BIDS		PHILLIPS PETROLEUM COMPANY		AFE NO.	FILE CODE
FOR APPR		BARTLESVILLE, OKLAHOMA			
FOR CONST		LUTHER "A" NO. 1		SCALE	
DESIGN		N, Section 18, T-8-S, R-32-E, Chaves County, N.M.		UNLESS OTHERWISE NOTED	
DRAWN		PROPOSED COMPLETION FOR H ₂ O DISPOSAL		DWG NO.	
CHECKED				SH NO.	
APP'D					





PHILLIPS PETROLEUM COMPANY

ODESSA, TEXAS 79761
PHILLIPS BUILDING

NATURAL RESOURCES GROUP
Exploration and Production

July 17, 1975

Luther-A No. 1
Application to Dually Complete
And for Salt Water Disposal
Unit N, 18, 8-S, 32-E,
Chaves County

File: W4-Ta-54-75

New Mexico Oil Conservation Commission (3)
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention: Mr. Joe D. Ramey,
Secretary-Director

Gentlemen:

We respectfully request administrative approval of exceptions to Rule 112-A-II for a conventional dual completion and to Rule 701-C for salt water disposal into a non-productive reservoir, as they apply to our Luther-A, Well No. 1 - located in Unit N, 660 feet from the south line and 1980 feet from the west line of Section 18, T-8-S, R-32-E, Chaves County. This well currently produces from the San Andres reservoir of the Lonesome San Andres Pool.

The Luther-A No. 1 was drilled to a total depth of 10,620 feet, and plugged back to 4535 feet for its present completion. We propose to clean out the well bore to approximately 4950 feet, spot cement plug, and dually complete in a conventional manner for SWD in the non-productive Glorieta open hole interval of 4584 feet to 4720 feet with the San Andres oil zone between 4118 and 4248 feet. These zones will be separated by a production type packer, and will be operated/produced through separate tubing strings. Forms C-107, C-108, lease and offset plat, diagrammatic completion sketch, and electric logs are attached in support of this request and further detail the proposed completion and operation. A similar oil/salt water disposal dual completion has previously been approved by the Commission in Order No. R-3949, dated April 22, 1970, which covered Phillips' operation of the Marley-A No. 1 = Unit P, Section 3, T-11-S, R-31-E, Chaves County.

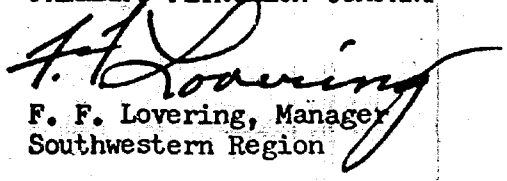
By copy hereof and the appropriate forms, offset and surface owners are notified of these applications and their waivers of objections are requested. It is understood that administrative action will be subject to the statutory waiting period when waivers are not enclosed with the application. If required, please schedule this proposal for hearing.

New Mexico Oil Conservation Commission
W4-Ta-54-75
July 17, 1975
Page 2

Please direct any inquiries to Mr. W. J. Mueller of this office - telephone (915) 337-8611. Your consideration in this matter is appreciated.

Yours very truly,

PHILLIPS PETROLEUM COMPANY


F. F. Lovering, Manager
Southwestern Region

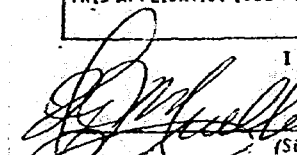
FFL:HM:jc
Attachments

cc: With Attachments
New Mexico Oil Conservation Commission-Hobbs
USGS-Hobbs
Exxon Company-U.S.A., Box 1600,
Midland, Texas 79701
Superior Oil Company, Box 1900,
Midland, Texas 79701
H. H. Davis, Milnesand, New Mexico

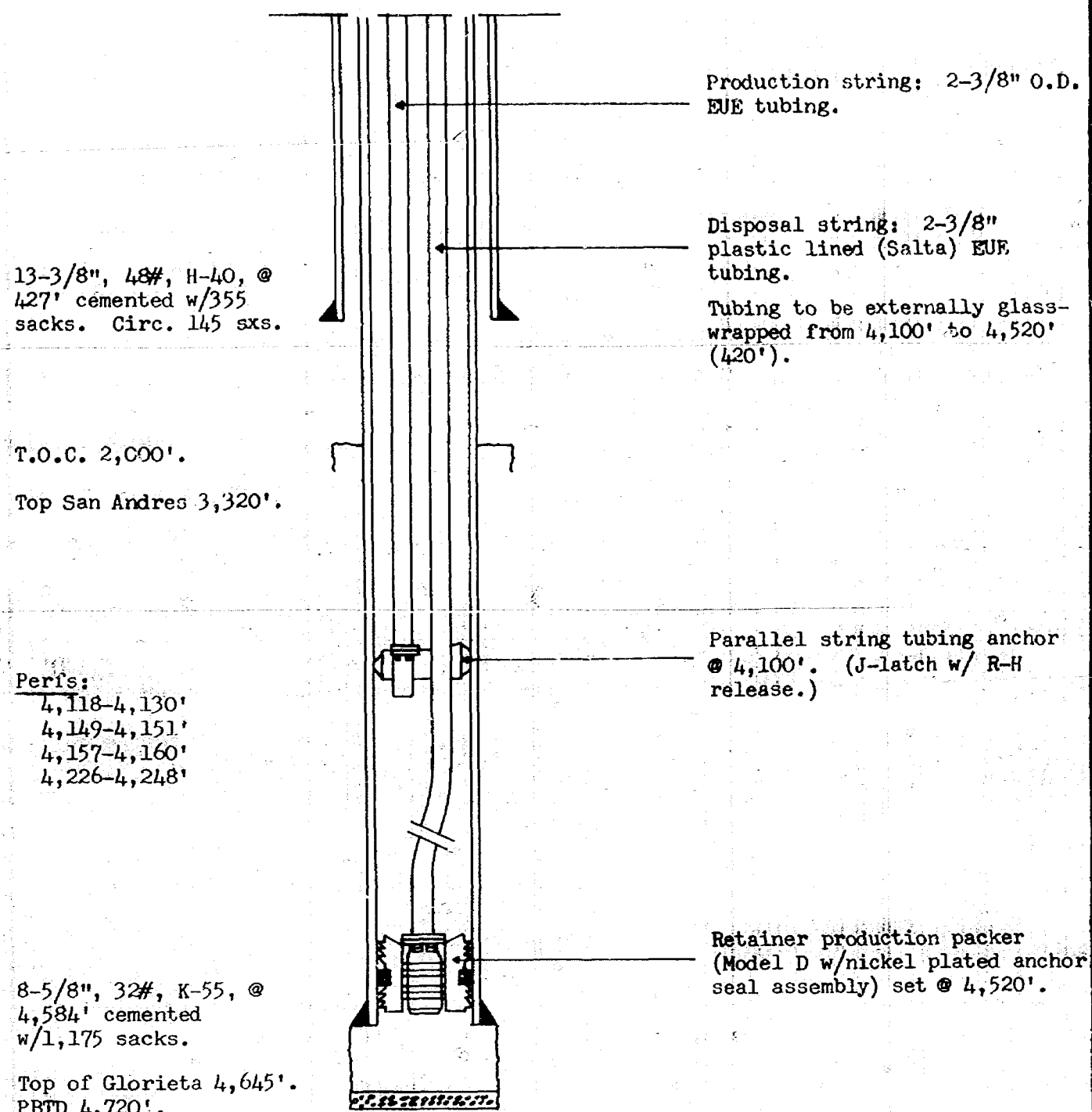
NEW MEXICO OIL CONSERVATION COMMISSION
APPLICATION TO DISPOSE OF SALT WATER BY INJECTION INTO A POROUS FORMATION

OPERATOR Phillips Petroleum Company		ADDRESS Room 711, Phillips Building, Odessa, TX 79761			
LEASE NAME Luther-A	WELL NO. 1	FIELD Undesignated Glorieta	COUNTY Chaves		
LOCATION UNIT LETTER <u>N</u> WELL IS LOCATED <u>660</u> FEET FROM THE <u>South</u> LINE AND <u>1980</u> FEET FROM <u>West</u> LINE. SECTION <u>18</u> TOWNSHIP <u>8S</u> RANGE <u>32E</u> NMPM.					
CASING AND TUBING DATA					
NAME OF STRING	SIZE	SETTING DEPTH	SACKS CEMENT	TOP OF CEMENT	TOP DETERMINED BY
SURFACE CASING	13-3/8"	427	500 sx Class H w/2% Ca Cl ₂	Surface	Circ. 145 sx.
INTERMEDIATE	8-5/8"	4584	850 sx TRLW w/10% DD 7.5# salt & 325 Class H w/2% Ca Cl ₂	2000'	Temperature Survey
LONG STRING					
TUBING	2-3/8"	4520'	NAME, MODEL AND DEPTH OF TUBING PACKER Baker Model D 4520'		
NAME OF PROPOSED INJECTION FORMATION Glorieta		TOP OF FORMATION 4645'		BOTTOM OF FORMATION 4720' PBTD	
IS INJECTION THROUGH TUBING, CASING, OR ANNULUS? Tubing		PERFORATIONS OR OPEN HOLE? Open Hole		PROPOSED INTERVAL(S) OF INJECTION OH 4584' to 4720'	
IS THIS A NEW WELL DRILLED FOR DISPOSAL? No		IF ANSWER IS NO, FOR WHAT PURPOSE WAS WELL ORIGINALLY DRILLED? Drilled to TD of 10620' - test Atoka; PB to 4535.		HAS WELL EVER BEEN PERFORATED IN A ZONE OTHER THAN THE PROPOSED INJECTION ZONE? Yes	
LIST ALL SUCH PERFORATED INTERVALS AND SACKS OF CEMENT USED TO SEAL OFF OR SQUEEZE EACH 4118-4248' (Dually completed producer) complete in San Andres					
DEPTH OF BOTTOM OF DEEPEST FRESH WATER ZONE IN THIS AREA 425		DEPTH OF BOTTOM OF NEAR HIGHER OIL OR GAS ZONE IN THIS AREA 4535		DEPTH OF TOP OF NEXT LOWER OIL OR GAS ZONE IN THIS AREA None	
ANTICIPATED DAILY INJECTION VOLUME (GALS.)	MINIMUM 25	MAXIMUM 500	OPEN OR CLOSED TYPE SYSTEM Closed	IS INJECTION TO BE BY GRAVITY OR PRESSURE? Gravity	APPROX. PRESSURE (PSI) --
ANSWER YES OR NO WHETHER THE FOLLOWING WATERS ARE MINERALIZED TO SUCH A DEGREE AS TO BE UNSUITABLE FOR DOMESTIC, STOCK, IRRIGATION, OR OTHER GENERAL USE Yes			WATER TO BE DISPOSED OF Yes		
NAME AND ADDRESS OF SURFACE OWNER (OR LESSEE, IF STATE OR FEDERAL LAND) United States Dept. of Interior w/H. H. Davis; Milnesand, New Mexico, as surface lessee			NATURAL WATER IN DISPOSAL ZONE Yes		
ARE THE FOLLOWING ITEMS ATTACHED TO THIS APPLICATION (SEE RULE 701-D) Yes			ARE WATER ANALYSES ATTACHED? No		
HAVE COPIES OF THIS APPLICATION BEEN SENT TO EACH OF THE FOLLOWING? Yes			EACH OPERATOR WITHIN ONE-HALF MILE OF THIS WELL Yes		
ELECTRICAL LOG Yes			DIAGRAMMATIC SKETCH OF WELL Yes		

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

 W. J. Mueller Senior Reservoir Engineer 7-18-75
(Signature) (Title) (Date)

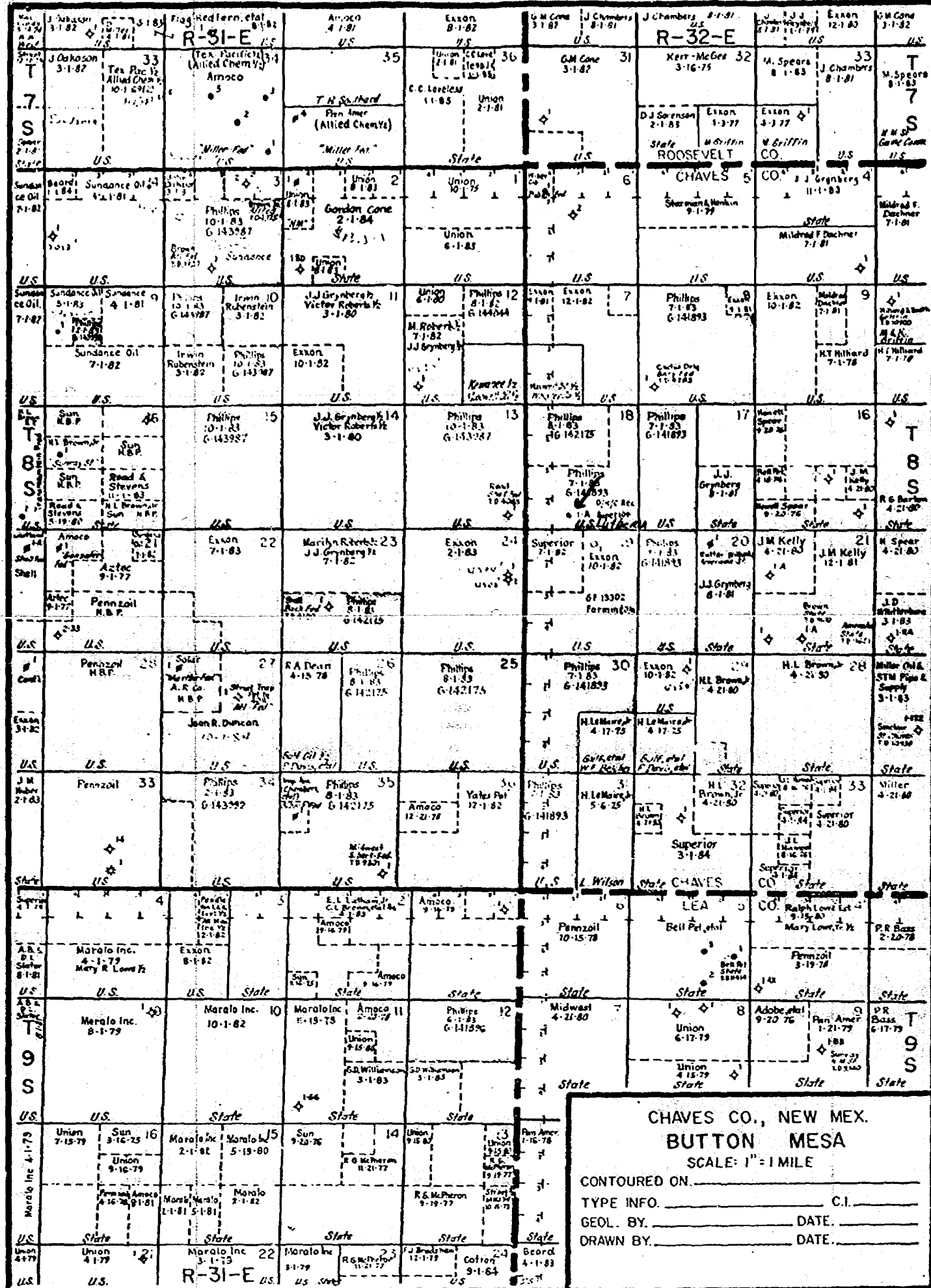
NOTE: Should waivers from the surface owner and all operators within one-half mile of the proposed injection well not accompany this application, the New Mexico Oil Conservation Commission will hold the application for a period of 15 days from the date of receipt by the Commission's Santa Fe office. At the end of the 15-day waiting period no protest has been received by the Santa Fe office, the application will be processed. If a protest is received, the application will be set for hearing, if the applicant so requests. SEE RULE 701.



NO.	REVISION	BY	DATE	CHKD	APP'D
FOR BIDS		PHILLIPS PETROLEUM COMPANY		AFE NO.	FILE CODE
FOR APPR		BARTLESVILLE, OKLAHOMA		SCALE	
FOR CONST		LUTHER "A" NO. 1		UNLESS OTHERWISE NOTED	
DESIGN		N, Section 18, T-8-S, R-32-E, Chaves County, N.M.		DWG NO.	
DRAWN		PROPOSED COMPLETION FOR H ₂ O DISPOSAL		SH NO.	
CHECKED					
APP'D					

FORM 1778 10-73

PRINTED IN U.S.A.





PHILLIPS PETROLEUM COMPANY

ODESSA, TEXAS 79761
PHILLIPS BUILDING

NATURAL RESOURCES GROUP
Exploration and Production

July 17, 1975

Luther-A No. 1
Application to Dually Complete
And for Salt Water Disposal
Unit N, 18, 8-S, 32-E,
Chaves County

File: W4-Ta-54-75

New Mexico Oil Conservation Commission (3)
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention: Mr. Joe D. Ramey,
Secretary-Director

Gentlemen:

We respectfully request administrative approval of exceptions to Rule 112-A-II for a conventional dual completion and to Rule 701-C for salt water disposal into a non-productive reservoir, as they apply to our Luther-A, Well No. 1 - located in Unit N, 660 feet from the south line and 1980 feet from the west line of Section 18, T-8-S, R-32-E, Chaves County. This well currently produces from the San Andres reservoir of the Lonesome San Andres Pool.

The Luther-A No. 1 was drilled to a total depth of 10,620 feet, and plugged back to 4535 feet for its present completion. We propose to clean out the well bore to approximately 4950 feet, spot cement plug, and dually complete in a conventional manner for SWD in the non-productive Glorieta open hole interval of 4584 feet to 4720 feet with the San Andres oil zone between 4118 and 4248 feet. These zones will be separated by a production type packer, and will be operated/produced through separate tubing strings. Forms C-107, C-108, lease and offset plat, diagrammatic completion sketch, and electric logs are attached in support of this request and further detail the proposed completion and operation. A similar oil/salt water disposal dual completion has previously been approved by the Commission in Order No. R-3949, dated April 22, 1970, which covered Phillips' operation of the Marley-A No. 1 = Unit P, Section 3, T-11-S, R-31-E, Chaves County.

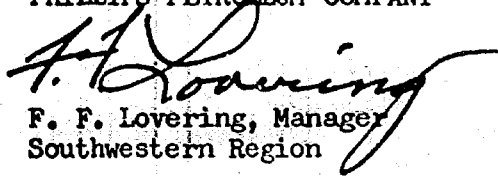
By copy hereof and the appropriate forms, offset and surface owners are notified of these applications and their waivers of objections are requested. It is understood that administrative action will be subject to the statutory waiting period when waivers are not enclosed with the application. If required, please schedule this proposal for hearing.

New Mexico Oil Conservation Commission
W4-Ta-54-75
July 17, 1975
Page 2

Please direct any inquiries to Mr. W. J. Mueller of this office - telephone (915) 337-8611. Your consideration in this matter is appreciated.

Yours very truly,

PHILLIPS PETROLEUM COMPANY


F. F. Lovering, Manager
Southwestern Region

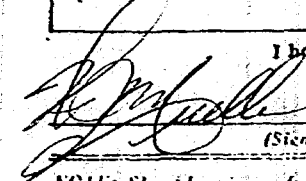
FFL:HM:jc
Attachments

cc: With Attachments
New Mexico Oil Conservation Commission-Hobbs
USGS-Hobbs
Exxon Company-U.S.A., Box 1600,
Midland, Texas 79701
Superior Oil Company, Box 1900,
Midland, Texas 79701
H. H. Davis, Milnesand, New Mexico

NEW MEXICO OIL CONSERVATION COMMISSION
APPLICATION TO DISPOSE OF SALT WATER BY INJECTION INTO A POROUS FORMATION

OPERATOR Phillips Petroleum Company		ADDRESS Room 711, Phillips Building, Odessa, TX 79761			
LEASE NAME Luther-A	WELL NO. 1	FIELD Undesignated Glorieta	COUNTY Chaves		
LOCATION UNIT LETTER N WELL IS LOCATED 660 FEET FROM THE South LINE AND 1980 FEET FROM THE West LINE, SECTION 18 TOWNSHIP 8S RANGE 32E NMPM.					
CASING AND TUBING DATA					
NAME OF STRING	SIZE	SETTING DEPTH	SACKS CEMENT	TOP OF CEMENT	TOP DETERMINED BY
SURFACE CASING	13-3/8"	427	500 sx Class H w/2% Ca Cl₂	Surface	Circ. 145 sx.
INTERMEDIATE	8-5/8"	4584	850 sx TRLW w/10% DD 7-# salt & 325 sx	2000'	Temperature Surve
LONG STRING			Class H w/2% Ca Cl₂		
TUBING	2-3/8"	4520'	NAME, MODEL AND DEPTH OF TUBING PACKER Baker Model D 4520'		
NAME OF PROPOSED INJECTION FORMATION Glorieta			TOP OF FORMATION 4645'		BOTTOM OF FORMATION 4720' PBTD
IS INJECTION THROUGH TUBING, CASING, OR ANNULUS? Tubing		PERFORATIONS OR OPEN HOLE Open Hole		PROPOSED INTERVAL(S) OF INJECTION OH 4584' to 4720'	
IS THIS A NEW WELL DRILLED FOR DISPOSAL? No		IF ANSWER IS NO, FOR WHAT PURPOSE WAS WELL ORIGINALLY DRILLED? Drilled to TD of 10620'-test Atoka; PB to 4535,		HAS WELL EVER BEEN PERFORATED IN ANOTHER ZONE OTHER THAN THE PROPOSED INJECTION ZONE? Yes	
LIST ALL SUCH PERFORATED INTERVALS AND SACKS OF CEMENT USED TO SEAL OFF OR SQUEEZE EACH 4118-4248' (Dually completed producer) complete in San Andres)					
DEPTH OF BOTTOM OF DEEPEST FRESH WATER ZONE IN THIS AREA 425		DEPTH OF BOTTOM OF NEXT HIGHER OIL OR GAS ZONE IN THIS AREA 4535		DEPTH OF TOP OF NEXT LOWER OIL OR GAS ZONE IN THIS AREA None	
ANTICIPATED DAILY MINIMUM INJECTION VOLUME (BBL/S.) 25		MAXIMUM 500		OPEN OR CLOSED TYPE SYSTEM Closed	
ANSWER YES OR NO WHETHER THE FOLLOWING WATERS ARE MINERALIZED TO SUCH A DEGREE AS TO BE UNSUIT FOR DOMESTIC, STOCK, IRRIGATION, OR OTHER GENERAL USE -		WATER TO BE DISPOSED OF Yes		IS INJECTION TO BE BY GRAVITY OR PRESSURE? Gravity	
NAME AND ADDRESS OF SURFACE OWNER (OR LESSEE, IF STATE OR FEDERAL LAND) United States Dept. of Interior w/H. H. Davis; Milnesand, New Mexico, as surface lessee		EACH OPERATOR WITHIN ONE-HALF MILE OF THIS WELL Yes		APPROX. PRESSURE (PSI) - -	
LIST NAMES AND ADDRESSES OF ALL OPERATORS WITHIN ONE-HALF MILE OF THIS INJECTION WELL Exxon Company-U.S.A.; Box 1600; Midland, Texas 79701 Superior Oil Company; Box 1900; Midland, Texas 79701		ELECTRICAL LOG Yes		DIAGRAMMATIC SKETCH OF WELL Yes	
HAVE COPIES OF THIS APPLICATION BEEN SENT TO EACH OF THE FOLLOWING? Yes		PLAY OF AREA Yes		ARE THE FOLLOWING ITEMS ATTACHED TO THIS APPLICATION (SEE RULE 701-D) Yes	

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


W. J. Mueller
(Signature)**Senior Reservoir Engineer**
(Title)**7-18-75**
(Date)

NOTE: Should waivers from the surface owner and all operators within one-half mile of the proposed injection well not accompany this application, the New Mexico Oil Conservation Commission will hold the application for a period of 15 days from the date of receipt by the Commission's Santa Fe office. If at the end of the 15-day waiting period no protest has been received by the Santa Fe office, the application will be processed. If a protest is received, the application will be set for hearing, if the applicant so requests. SEE RULE 701.

13-3/8", 48#, H-40, @
427' cemented w/355
sacks. Circ. 145 sxs.

T.O.C. 2,000'.

Top San Andres 3,320'.

Perfs:

4,118-4,130'
4,149-4,151'
4,157-4,160'
4,226-4,248'

8-5/8", 32#, K-55, @
4,584' cemented
w/1,175 sacks.

Top of Glorieta 4,645'.
PBD 4,720'.

Production string: 2-3/8" O.D.
EUE tubing.

Disposal string: 2-3/8"
plastic lined (Salta) EUE
tubing.

Tubing to be externally glass-
wrapped from 4,100' to 4,520'
(420').

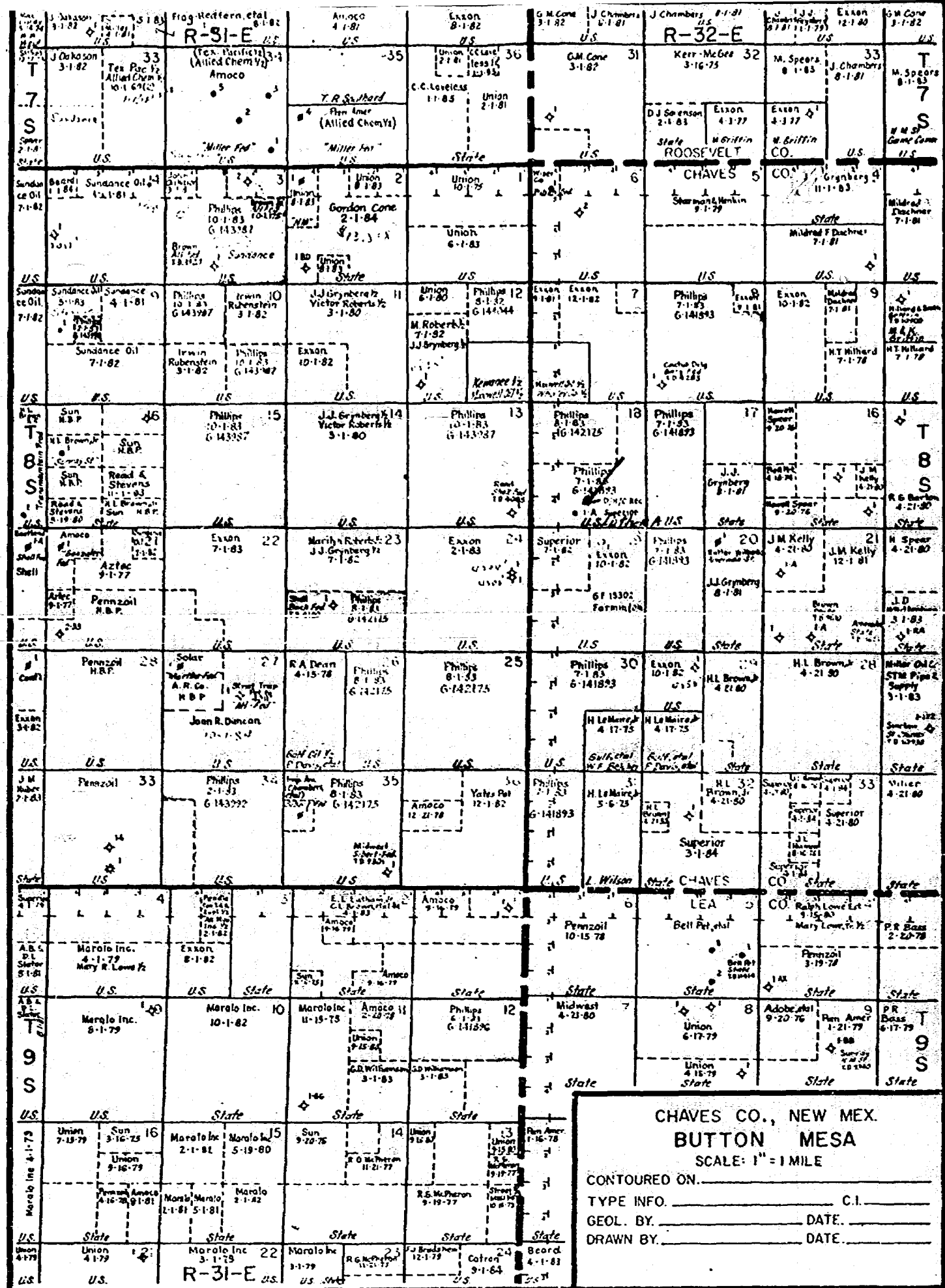
Parallel string tubing anchor
@ 4,100'. (J-latch w/ R-H
release.)

Retainer production packer
(Model D w/nickel plated anchor
seal assembly) set @ 4,520'.

NO.	REVISION	BY	DATE	CHKD	APP'D
FOR BIDS	PHILLIPS PETROLEUM COMPANY BARTLESVILLE, OKLAHOMA LUTHER "A" NO. 1 N, Section 18, T-8-S, R-32-E, Chaves County, N.M. PROPOSED COMPLETION FOR H ₂ O DISPOSAL				API NO.
FOR APPR					FILE CODE
FOR CONST					SCALE UNLESS OTHERWISE NOTED
DESIGN		DWG NO.			
DRAWN		SH NO.			
CHECKED					
APP'D					

FORM 1778 10-78

PRINTED IN U.S.A.



OIL CONSERVATION COMMISSION
Hobbs DISTRICT

JUL 29 1975
OIL CONSERVATION COMM.
Santa Fe

OIL CONSERVATION COMMISSION
BOX 2088
SANTA FE, NEW MEXICO

DATE July 25, 1975

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

Gentlemen:

I have examined the application dated _____
for the Phillips Pet. Co. Luther A #1-N 18-8-32
Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

O.K.---J.W.R.

Yours very truly,

John W. Remyan

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

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

CASE No. 4333
Order No. R-3949

APPLICATION OF PHILLIPS PETROLEUM
COMPANY FOR A DUAL COMPLETION AND
SALT WATER DISPOSAL, CHAVES COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on April 15, 1970,
at Hobbs, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 22nd day of April, 1970, 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, Phillips Petroleum Company, seeks
authority to complete its Marley "A" Well No. 1, a wildcat well,
located in Unit P of Section 3, Township 11 South, Range 31 East,
NMPM, Chaves County, New Mexico, as a dual completion to produce
oil from the San Andres formation in the interval from 4148 feet
to 4165 feet through 2 3/8-inch tubing and to dispose of produced
salt water into the San Andres formation in the perforated inter-
val from 4344 feet to 4800 feet through a parallel string of
2 3/8-inch plastic-lined tubing, with separation of the zones
by a packer set at approximately 4315 feet.

(3) That approval of the dual completion and salt water
disposal as set out above will prevent the drilling of unnecessary

CASE No. 4333
Order No. R-3949

wells, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Phillips Petroleum Company, is hereby authorized to complete its Marley "A" Well No. 1, a wildcat well, located in Unit P of Section 3, Township 11 South, Range 31 East, NMPM, Chaves County, New Mexico, as a dual completion to produce oil from the San Andres formation in the interval from 4148 feet to 4165 feet through 2 3/8-inch tubing and to dispose of produced salt water into the San Andres formation in the perforated interval from 4344 feet to 4800 feet through a parallel string of 2 3/8-inch plastic-lined tubing, with separation of the zones by a packer set at approximately 4315 feet;

PROVIDED HOWEVER, that the applicant shall submit monthly reports of its disposal operations in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.

(2) 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

DAVID F. CARGO, Chairman

ALEX J. ARMIJO, Member

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

S E A L

esr/

13-3/8", 48#, H-40, @
427' cemented w/355
sacks. Circ. 145 sxs.

T.O.C. 2,000'.

Top San Andres 3,320'.

Perfs:

4,118-4,130'
4,149-4,151'
4,157-4,160'
4,226-4,248'

8-5/8", 32#, K-55, @
4,584' cemented
w/1,175 sacks.

Top of Glorieta 4,645'.
PBTD 4,720'.

Production string: 2-3/8" O.D.
EUE tubing.

Disposal string: 2-3/8"
plastic lined (Salta) EUE
tubing.

Tubing to be externally glass-
wrapped from 4,100' to 4,520'
(420').

*File
Case 5538*

Parallel string tubing anchor
@ 4,100'. (J-latch w/ R-H
release.)

Retainer production packer
(Model D w/nickel plated anchor
seal assembly) set @ 4,520'.

NO.	REVISION	BY	DATE	CHKD	APP'D
FOR BIDS	PHILLIPS PETROLEUM COMPANY BARTLESVILLE, OKLAHOMA LUTHER "A" NO. 1 N, Section 18, T-8-S, R-32-E, Chaves County, N.M. PROPOSED COMPLETION FOR H ₂ O DISPOSAL			AFE NO.	FILE CODE
FOR APPR				SCALE	UNLESS OTHERWISE NOTED
FOR CONST				DWG NO.	4
DESIGN				SH NO.	
DRAWN					
CHECKED					
APP'D					

FORM 1779 10-73

PRINTED IN U.S.A.