

OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO.

RECEIVED
JUL 11 1952

Case 386
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO.

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JUL 1- 1952

In accordance with New Mexico Rule No. 701, the following information is supplied:

1. Attached please find three plats of the area involved. The offset operators within one-half mile of the proposed well are Amerada Petroleum Company, Gulf Oil and Refining Company, and The Stanolind Oil and Gas Company.
2. Commercial production of oil and gas is presently being obtained from the following formations: Ellenburger, Simpson (McKee), Montoya, Abo, Clearfork, Blinbry, Tubb, Glorietta, Queen and Grayburg.
3. It is proposed that injection will be into a highly permeable zone in the San Andres dolomite. It is expected that this zone will occur 300 to 600 feet below the top of the San Andres formation at a depth of approximately 4600 feet. The proposed injection zone contains only sulphur water and is not productive of oil or gas in the area.
4. A log of the proposed well will be furnished after the well is drilled.
5. It is proposed that the following casing program will be used: 13-3/8" O.D. to be set at 360 feet, 9-5/8" O.D. to be set at 2800 feet, and 7" O.D. to be set at 4600 feet. All casing will be tested in conformance with the test procedures as promulgated by the New Mexico Oil and Gas Conservation Commission.
6. Salt water is to be injected into this well. It is anticipated that ultimate daily injection may approach 10,000 barrels of salt water produced from the various reservoirs in the Eunice, New Mexico Area.
7. Magnolia Petroleum Company will be sole operator of this salt water injection well; its address is as follows:

Magnolia Petroleum Company
P. O. Box 727
Kermit, Texas

MAGNOLIA PETROLEUM COMPANY

A SOCONY-VACUUM COMPANY

LEGAL DEPARTMENT

DALLAS 1, TEXAS

July 31, 1952

EARL A. BROWN
GENERAL COUNSEL
ROY C. LEDBETTER
RAYMOND M. MYERS
CHAS. B. WALLACE
R. T. WILKINSON, JR.
FRANK C. BOLTON, JR.
JACK VICKREY
SAM H. FIELD
ROSS MADOLE
FLOYD B. PITTS
W. E. MCKELLAR, JR.
ASSISTANTS

Mr. R. R. Spurrier
Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Re: Order in Case No. 386

Dear Dick:

Supplementing my letter of July 28th regarding the above, I wish to advise that in the original order which I submitted in paragraph 2(a) I inadvertently used the term "liner" instead of "casing". One or two other minor changes were requested by my producing people and consequently I have redrafted an order in this case and am submitting the original and two copies, together with this letter. Please disregard the proposed drafts which were submitted with my letter of July 28th.

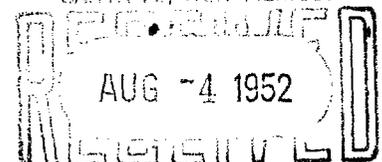
I sincerely appreciate your assistance and cooperation in this matter.

Yours very truly,

W. E. McKellar, Jr.
W. E. McKellar, Jr.

WEMckjr:ec
enclosures (3)

OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO.



MAGNOLIA PETROLEUM COMPANY

A SOCONY-VACUUM COMPANY

LEGAL DEPARTMENT

DALLAS 1, TEXAS

July 28, 1952

EARL A. BROWN
GENERAL COUNSEL
ROY C. LEDBETTER
RAYMOND M. MYERS
CHAS. B. WALLACE
R. T. WILKINSON, JR.
FRANK C. BOLTON, JR.
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FLOYD B. PITTS
W. E. MCKELLAR, JR.
ASSISTANTS

Mr. R. R. Spurrier
Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Re: Order in Case No. 386

Dear Dick:

Attached is the original and two copies of a proposed order which I have drafted in the above case. This order follows basically Order No. R-116 promulgated in Case No. 310, authorizing Gulf Oil Corporation to inject salt water in the same field and formation.

I believe that you will find the attached order satisfactory since it does follow the pattern of your previous order in a similar case and does embody only the facts presented at the July 24th hearing.

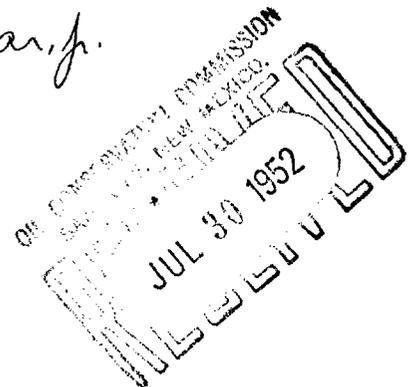
I would like to take this opportunity to again express my sincere appreciation for your assistance and cooperation in this matter.

Yours very truly,

W. E. McKellar, Jr.
W. E. McKellar, Jr.

WEMcKJr:ec
enclosures (3)

*OKRS
7/30/52*



ON RECEIVED
JUL 24 1952

EV 2
7/1/52

GEOLOGICAL REPORT

NEW MEXICO OIL CONSERVATION COMMISSION

CONCERNING THE APPLICATION BY MAGNOLIA PETROLEUM COMPANY FOR THE INSTALLATION OF A SALT WATER DISPOSAL UNIT ON THE E. O. CARSON LEASE AT EUNICE, NEW MEXICO, SCHEDULED FOR PUBLIC HEARING JULY 24, 1952.

CASE 386

PROPOSED WELL - MAGNOLIA - E. O. CARSON SWD-1
C 9 1/2 N 1/2 of Section 33-21S-37E
LEA COUNTY, NEW MEXICO

Attached herewith is a geological map showing the location and pertinent data supporting the Magnolia Petroleum Company application for a Salt Water Disposal Unit.

The location of the proposed well is in an area where the upper part of the San Andres dolomite carries a wide spread development of porosity from 4100' to 4600' accompanied by high permeabilities providing a zone that is recommended for the subsurface disposal of salt water.

The upper San Andres dolomite porosity in the Eunice area is already being utilized for salt water injection by the Gulf-Eunice King No. 2, Section 28-21S-37E, as shown on the attached map.

The San Andres formation is commercially non-productive of oil or gas in the field where the Carson lease is located. Available well records all show sulphur water recovery (see map) when the zone is drilled stem tested.

The widespread occurrence of lost circulation encountered by the many wells that have drilled through the upper San Andres zone indicate extremely high permeabilities, and consequent high intake capacity.

CASE 386 CONT'D. - GEOLOGICAL REPORT

Vertical communication of the salt water waste with the Penrose-Skelly oil producing zone above will be prevented by setting pipe through into the San Andres formation. Communication of salt water below with the multiple pays of the Paddock, Blinbry, Drinkard, Hare and Arumson Pools will be effectively cut off by the non-porous dense dolomite of the San Andres formation occurring immediately below the proposed 4600' Total Depth.

R. E. Murphy, District Geologist
MAGNOLIA PETROLEUM COMPANY
Roswell, New Mexico

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

Case 388
Special Hearing
July 24, 1952

July 1, 1952

C

O

Mr. W. E. McKellar, Jr.
Magnolia Petroleum Company
Dallas, Texas

Dear Ed:

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This is in reply to your letter of June 30, which we received July 1.

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It is a bare two weeks until the July 15 hearing, and our policy, as you well know, is to set a hearing at least 30 days after an application has been received. Your application will, therefore, be scheduled for the regular August hearing which is August 19. However, should you care for a special hearing, it could be set for July 24.

Please wire which you prefer.

Very truly yours,

RRS:W

Secretary and Director