

CLASS OF SERVICE

This is a fast message unless its deferred character is indicated by the proper symbol.

WESTERN UNION TELEGRAM

W. P. MARSHALL, President

1201

SYMBOLS

DL=Day Letter

NL=Night Letter

LT=International Letter Telegram

The filing time shown in the date line on domestic telegrams is STANDARD TIME at point of origin. Time of receipt is STANDARD TIME at point of destination

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THE NEW MEXICO OIL CONSERVATION COMMISSION=

STATE LAND OFFICE BLDG SANTA FE NMEX=

GREAT WESTERN DRILLING COMPANY HEREBY MAKES APPLICATION TO BUTY COMPLETE: ITS FEDERAL MM NO 1 WELL IN THE NW GQXR NE1/4 SECTION 8 TOWNSHIP 9 SOUTH RANGE 37 EAST LEA COUNTY NEW MEXICO (UNDESIGNATED FIELD) FOR THE PRODUCTION OF OIL FROM THE BOUGH C FORMATION AND FOR THE INJECTION OF SALT WATER FROM SUCH WELL INTO THE NON PRODUCING FORMATIONS BETWEEN 4300 FEET AND 9400 FEET AND

End 1

Handwritten notes and signature:
2208
Richard Miller

COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

OF SERVICE

fast message
deferred char-
acter, as indicated by the
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1961 FEB 9 PM 2 16

L RWA062

FOR AN EXCEPTION TO RULE 107 (D) TO PERMIT THE SETTING OF
TUBING IN SAID WELL MORE THAN 250 FEET ABOVE THE TOP OF
THE PAY. A SUPPLEMENT TO THIS APPLICATION WILL BE FILED
WITHIN THE NEXT TWO OR THREE DAYS BUT WE REQUEST THAT
THE ABOVE BE ADVERTISED FOR THE EXAMINER HEARING ON
MARCH 3 1961

HERVEY DOW & HINKLE.

1961 FEB 9 PM 2 16

OFFICE

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM

BEFORE THE OIL CONSERVATION COMMISSION

OF THE STATE OF NEW MEXICO

APPLICATION OF GREAT WESTERN DRILLING)
COMPANY TO DULY COMPLETE ITS FEDERAL)
MM NO. 1 WELL LOCATED IN THE NW $\frac{1}{4}$ NE $\frac{1}{4}$)
SECTION 8, TOWNSHIP 9 SOUTH, RANGE)
37 EAST, N.M.P.M., LEA COUNTY, NEW)
MEXICO (undesignated field) FOR THE)
PRODUCTION OF OIL FROM THE BOUGH C)
FORMATION AND FOR THE INJECTION OF SALT)
WATER PRODUCED FROM SUCH WELL INTO THE)
NON-PRODUCING FORMATIONS OF SUCH WELL)
BETWEEN THE DEPTHS OF 4300 FEET AND)
9400 FEET; AND, FOR AN EXCEPTION TO RULE)
107(d) TO PERMIT THE SETTING OF TUBING)
IN SAID WELL MORE THAN 250 FEET ABOVE THE)
TOP OF THE PAY.)

CASE NUMBER

2208

APPLICATION

Comes now Great Western Drilling Company, whose address is Box 1659, Midland, Texas, and hereby makes Application to duly complete its Federal MM No. 1 well located in the NW $\frac{1}{4}$ NE $\frac{1}{4}$ Section 8, Township 9 South, Range 37 East, N.M.P.M., Lea County, New Mexico (undesignated field) for the production of oil from the Bough C Formation and for the injection of salt water produced from such well into the non-producing formations of such well between the depths of 4300 feet and 9400 feet; and, for an exception to Rule 107(d) to permit the setting of tubing in said well more than 250 feet above the top of the pay; and in support thereof would respectively state:

1. That the above well is located 660 feet from the north line and 1980 feet from the east line of said Section 8. That said well was drilled in conformity with the Rules of this Commission and is presently being completed and tested in the Bough C Formation; the pay zone was perforated between the interval of 9662-67 feet and 9673-77 feet, and was squeezed with 150 sacks of diesel oil cement; the interval of 9671-73 feet was left open. That initial tests indicate that the well is capable of producing oil in paying quantities, but that as an incident to such production the well will additionally produce approximately 350 barrels of salt water

per day; such water is so mineralized to such a degree as to be unfit for domestic stock, irrigation, and/or other general use.

2. That in the drilling and completion of said well the following casing program was followed:

	<u>Diameter</u>	<u>Setting Depth</u>	<u>Sacks Cement</u>	<u>Top of Cement</u>
Surface	10-3/4"	422'	350 sacks regular	Circulated
Intermediate	7-5/8"	4298'	300 sacks 50-50 pozmix	
			700 sacks Lite Wate	1700'
Long String	4-1/2"	9731'	75 sks.reg.plus 1/3 cu.ft.per sk. Strata-Crete 6 plus 4% gel.	9400'

3. That in the drilling of said well Applicant adequately and properly tested all apparently productive zones between the depths of 4145 feet and 9400 feet, and in all such tests no oil or gas in paying quantities was encountered; upon information and belief, all of the formations underlying said well and the immediately surrounding area, between the depths of 4300 feet and 9400 feet are non-oil or gas bearing.

4. That the only wells capable of producing oil or gas in paying quantities within the vicinity of two miles from the above described well, together with the name of the operator thereof, are set forth in the plat attached to this Application, and marked Exhibit "A". That there are no wells within such area or vicinity producing oil or gas in paying quantities from the formations encountered in Applicant's well from the depths of 4300 feet to 9400 feet.

That the name and address of all offset operators to the lease on which Applicant's well is situated are as follows:

<u>NAME</u>	<u>ADDRESS</u>
Santa Fe Pacific Rvw. Co.	900 Polk Street, Amarillo, Texas

Union Oil of California	Union Oil Building, Midland, Texas
John Kelly	Box 5671, Roswell, New Mexico
Texaco Inc.	Box 3109, Midland, Texas
King, Warren & Dye	Box 1505, Midland, Texas
L. B. Hodges	Box 671, Roswell, New Mexico

That the name and address of the surface owner of the lands upon which Applicant's well is located is:

<u>NAME</u>	<u>ADDRESS</u>
W. R. Bilbrey	310 South First Street, Lovington, New Mexico

5. That there are no other wells in the vicinity of Applicant's well which have been drilled, completed or abandoned which are susceptible to being used as a disposal well for the salt water produced in Applicant's well, and that it is infeasible, impracticable, and uneconomic to drill an additional well for the disposal of such salt water, or to truck or otherwise remove the same from the premises. That in order to protect the correlative rights of the various mineral owners in the lands on which Applicant's well is located, and to avoid waste, that it is necessary and proper to dispose of the salt water produced from Applicant's well by the injection of such produced salt water down the annulus between the 7-5/8" intermediate casing and the 4-1/2" producing casing into the non-producing formations under said well between the depths of 4300 feet and 9400 feet; Applicant believes that the injected water will actually enter the San Andres porosity, and in any event, such salt water will be confined to the aforesaid intervals between 4300-9400 feet. A schematic diagram of the casing and cementing program and the proposed method of disposing of the salt water, as aforesaid, is attached to this Application, and marked Exhibit "B". A log on Applicant's well with the formation tops, casing and perforations indicated thereon is attached to this Application, and marked Exhibit "C".

A Tubing Anchor (Baker Compensating) packer is proposed to be set in the well at 4500 feet; injection of the salt water will be by pressure pump at an estimated pressure of 1000 psi. This is a closed type system, and no filtration or chemical treatment is necessary to the salt water.

6. With respect to Applicant's request for an exception to Rule 107(d) in this Application to permit the tubing to be set more than 250 feet above the top of the pay, Applicant would respectfully first call the Commission's attention to its memorandum No. 21-58, clarification order No. R-1173, dated August 8, 1958, in which it is stated that an interpretation of the Commission in connection with such rule is that the requirement as to tubing setting depth applies only to flowing wells, and that the well involved in this Application is a pumping well. Applicant would, therefore, suggest to the Commission that an exception to such rule may not be necessary in the present instance. However, in the event the Commission is of the opinion that an exception to such rule is necessary in the present instance, then Applicant further requests such exception, and in support thereof would show unto the Commission that the tubing has been set at a point which will recover, in the most efficient and effective method, the recoverable oil and associated liquid hydro-carbons from the Bough C formation underlying said well. The tubing was placed at a point to "skim", as nearly as practicable, the oil from the salt water in the hole. The location of such tubing is shown in Exhibit "B", attached hereto.

7. The above offset operators, surface owner, New Mexico State Engineer, and the U.S. Geological Survey of the Department of Interior, United States of America, have this date been furnished a copy of this Application by registered mail, due proof of which will be made at the hearing on this Application. The New Mexico State Engineer has further

been furnished a copy of the water analysis of the salt water produced from Applicant's well, and a copy of the water analysis report is attached as Exhibit "D" to this Application.

Wherefore, Applicant requests that this Application be set down for an examiner hearing after due notice, and for the granting of this Application after hearing.

GREAT WESTERN DRILLING COMPANY

By 

S. B. Christy, IV for
Hervey, Dow & Hinkle
P. O. Box 10
Roswell, New Mexico
Attorneys for Applicant