CONOCO

CONTINENTAL OIL COMPANY

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ROSWELL, NEW MEXICO

PRODUCTION DEPARTMENT
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825 PETROLEUM BUILDING
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August 27, 1962

Mr. A. L. Porter, Jr.
Secretary-Director
New Mexico Oil Conservation Commission
Post Office Box 871
Santa Fe, New Mexico

Dear Mr. Porter:

Re: Case No. 2387, Order No. R-2078
APPLICATION OF CONTINENTAL OIL COMPANY FOR PERMISSION TO DISPOSE OF SALT WATER INTO THE WOLFCAMP FORMATION, LEA COUNTY, NEW MEXICO

The referenced order, approved October 9, 1961, granted authority for the disposal of salt water as outlined therein. It is requested that this order be amended by administrative approval to include additional perforations, within the Wolfcamp formation. The need for additional perforations and the proposed workover procedure is set out below. The proposed work does not alter any of the relative facts, with respect to the initial order, other than to increase the authorized interval for water disposal.

Our effort to dispose of salt water in the Anderson Ranch Unit well No. 8 through perforations at 9776-9816' in the Wolfcamp formation failed. The formation was perforated at 9826' (with four jet shots) and squeezed to insure isolation prior to perforation for water disposal. The perforations at 9776-9816' were acidized with 5,000 gallons of 15 percent acid prior to water injection. When the well was put on water disposal, the injection pressure increased to 2850 psi within ten minutes after injection started. In order to continue salt

water disposal into the Wolfcamp formation in Anderson Ranch Unit No. 8, it will be necessary to install higher pressure injection equipment or perforate additional section.

It is proposed to: (1) Drill out a bridge plug at 9996', (2) set a bridge plug at 10,400', below the Wolfcamp formation, (3) selectively perforate and acidize the Wolfcamp intervals 9970-9975', 10,015-10,025', 10,050-10,060', 10,090-10,100', 10,325-10,335' for salt water disposal.

The Wolfcamp interval from 9954-10,156' in the Anderson Ranch Unit No. 8 correlates to the Wolfcamp interval from 9914-10,116' in the Gulf Lea State CR NCT-A No. 3 located approximately 1-1/2 miles northwest. Gulf is currently disposing salt water at a rate of approximately 1750 barrels water per day at zero surface pressure in this open hole interval.

It is anticipated that the proposed work will permit disposal of approximately one-half of the current salt water production from the Anderson Ranch Unit.

The following exhibits are attached in support of this request:

1. Lease plat
2. Log of the injection well
3. Description of the injection well casing program.

Your consideration and approval of this request will be greatly appreciated. We shall be happy to forward any additional information that you require.

Yours very truly,

Wm. A. Mead

JPB-sg

cc: VGM