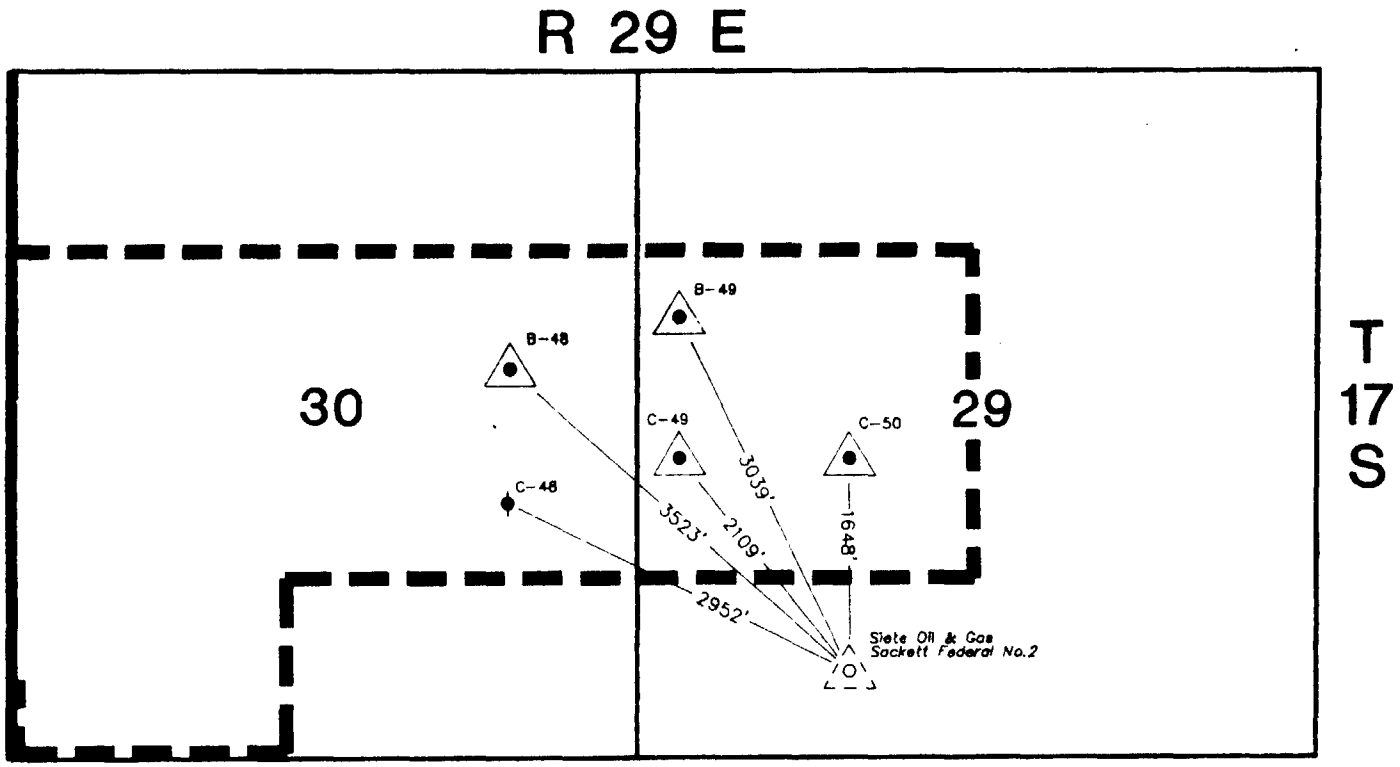

BEFORE EXAMINER CATANACH
OIL CONSERVATION DIVISION
Arco EXHIBIT NO. 1
CASE NO. 9897

L E G E N D

- Water Disposal Well
- T.A. Producer
- Proposed Siete Injection Well

ARCO Oil and Gas Company
Division of AtlanticRichfieldCompany
Central District Midland, Texas

EMPIRE ABO UNIT

Eddy Co., New Mexico

Siete O&G Proposed Injection Well

Scale: 1"=1500'

By: G. SMALLWOOD	Drawn By: LGA	Date: 3/90
Date: 3/90	Revised By:	Date:
Dept: NW ENGR.	Dwg No.	NM291729

Empire Abo Unit Well # C-49

Former Name:	General American, Green A Tract 1#8
Location:	2310' FSL & 330' FEL Sec. 29-17S-29E
Current Status:	Abo Water Disposal Well
Casing Size & Depth:	5 1/2 inch @ 6294'
Cement Used:	570 sacks
Calculated Top:	2412'
Remedial Treatment:	None
Unprotected Csg:	Surface Csg.(776') - 2412'

BEFORE EXAMINER CATANACH
OIL CONSERVATION DIVISION
Arco EXHIBIT NO. 2
CASE NO. 9897

Empire Abo Unit Well # C-48

Former Name:	Depco Inc., Leonard Federal #8
Location:	1980' FSL & 990' FEL Sec. 30-17S-29E
Current Status:	Future Abo Water Disposal Well
Casing Size & Depth:	5 1/2 inch @ 6360'
Cement Used:	425 sacks
Calculated Top:	3810'
Remedial Treatment:	None
Unprotected Csg:	Surface Csg.(765') - 3200'

Empire Abo Unit Well # B-49

Former Name:	General American, Green A Tract 1 #7
Location:	1930' FSL & 330' FWL Sec. 29-17S-29E
Current Status:	Abo Water Disposal Well
Casing Size & Depth:	5 1/2 inch @ 6300'
Cement Used:	570 sacks
Calculated Top:	2418'
Remedial Treatment:	Circulated cement from perfs. @1980' to surface.
Unprotected Csg:	2200' - 2418'

Empire Abo Unit Well # C-50

Former Name:	General American, Green A 1#9
Location:	2310' FSL & 1650' FEL Sec. 29-17S-29E
Current Status:	Abo Water Disposal Well
Casing Size & Depth:	5 1/2 inch @ 6273'
Cement Used:	160 sacks
Calculated Top:	5183'
Remedial Treatment:	9/6/78 Bond log indicated TOC @ 4890' Perf'd 4890' - 700 sacks Temp. log TOC @ 3490' Perf'd. 3480' - 700 sacks Temp. log TOC @ 3140' Perf'd 3130' - 650 sacks Temp. log TOC - 2294 Perf'd 2290' - 500 sacks Temp. log TOC - 300' FS
Unprotected Csg:	None

ARCO Oil and Gas Company
Post Office Box 1710
Hobbs, New Mexico 88240
Telephone 505 392 3551

Central District - Hobbs Area

March 13, 1990

Mr. Mike Williams
New Mexico Oil Conservation Commission
Drawer DD
Artesia, NM 88210

Dear Mr. Williams:

This letter is to inform you of a situation in which ARCO Oil and Gas Company recently encountered on the Empire Abo Unit G-17 and G-18 locations. While monitoring our production casing surface casing, ARCO discovered pressure on both wells between the production casing and the surface casing annulus. ARCO bled the pressure off of G-18 and no liquids were recovered. While bleeding the pressure off of G-17, ARCO recovered a small volume of crude and water which appears to be originating from the San Andreas formation.

As stated above, preliminary indications lead us to believe that the pressure being experienced is a result of present waterflood operations occurring in the San Andreas formation. ARCO currently intends to transfer these wellbores to S&J Operating Company in return for properly plugging and abandoning the Abo formation, and circulating cement behind the production casing to the surface in accordance with applicable rules and regulations. The requirement to circulate cement behind the production casing should eliminate this pressure and effectively isolate any productive zones not currently covered with cement.

ARCO has not identified any problems with our production casing integrity. By making this transfer and stipulating the requirements listing above, S&J Operating Company will be able to utilize these wellbores in their waterflood operations.

If you should require additional information, please contact me at (505)392-3551.

Sincerely,

Steven D. Smith
Area Prod. Supt.

SDS:kdj

cc: Well File