

Case Number

4677

Application

Transcripts

Small Exhibits

ETC.

dearnley-meier reporting service, inc.

SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIONS

1120 SIMMS BLDG. • P. O. BOX 1092 • PHONE 243-6691 • ALBUQUERQUE, NEW MEXICO



BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
March 15, 1972

EXAMINER HEARING

IN THE MATTER OF:

Application of Chaparral Service,
Inc., for an oil treating plant,
Lea County, New Mexico

)
)
) No. 4657
) Dismissed
)
)
)

IN THE MATTER OF:

Hearing called by the Oil Conservation
Commission on its own motion to permit
Charles B. Read and all other interested
persons to appear and show cause why
the Charles B. Read Sinclair State Well
No. 1 should not be equipped and operated
as required by Commission Order No. R-3797)

)
)
) No. 4677
) Dismissed
)
)
)

IN THE MATTER OF:

Application of HNG Oil Company for a dual
Completion, Lea County, New Mexico.

)
)
)
) No. 4678
)
)
)

BEFORE: Daniel S. Nutter, Examiner

TRANSCRIPT OF HEARING

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1 MR. NUTTER: We will call Case No. 4657.

2 MR. HATCH: Case 4657, Application of
3 Chaparral Service, Inc., for an oil treating plant,
4 Lea County, New Mexico. Mr. Nutter, that case
5 has been dismissed.

6 MR. NUTTER: Case No. 4657 has been
7 dismissed?

8 MR. HATCH: Yes, sir.

9 MR. NUTTER: We will call the next case,
10 No. 4677.

11 MR. HATCH: Case No. 4677, In the
12 Matter of the Hearing called by the Oil Conservation
13 Commission on its own motion to permit Charles B.
14 Read and all other interested persons to appear
15 and show cause why the Charles B. Read Sinclair
16 State Well No. 1, should not be equipped and
17 operated as required by Commission Order No.
18 R-3797, and the Commission Staff recommended
19 that the case be dismissed.

20 MR. NUTTER: Case No. 4677 will be
21 dismissed. We will call the next case, No. 4678.

22 MR. HATCH: Case 4678, Application of
23 HNG Oil Company for a dual completion, Lea County,
24 New Mexico.
25

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1 MR. JENNINGS: My name is James T.
2 Jennings, Jennings, Christy and Copple, Roswell,
3 and I have one witness, Mr. Jack Lorette of HNG
4 Oil Company.

5 (Whereupon, the witness was sworn.)

6 (Whereupon, Exhibits 1, 2 and 3
7 were marked for identification.)

8 W. L. "JACK" LORETTE

9 A Witness, having been first duly sworn, was examined
10 and testified as follows:

11 DIRECT EXAMINATION

12 BY MR. JENNINGS:

13 Q Would you state your name and occupation, please
14 sir?

15 A W. L. "Jack" Lorette, District Superintendent of
16 HLG Oil Company.

17 Q Mr. Lorette, how long have you been so employed
18 by HNG Oil Company?

19 A For eleven years.

20 Q What is your educational and professional training?

21 A I'm a Mechanical Engineer from Oklahoma State
22 University, or Oklahoma A & M it was at that time. Now,
23 it's Oklahoma State University.

24 Q Before you were employed by HNG Oil Company, by
25

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1 whom were you employed, Mr. Lorette?

2 A Shell Oil Company.

3 Q Where and in what capacity?

4 A I was production foreman in charge in South
5 Louisiana.

6 MR. JENNINGS: Are the witness's
7 qualifications acceptable?

8 MR. NUTTER: Yes, they are.

9 Q Mr. Lorette, are you familiar with the application
10 that has been filed herein, in cause No. 4678 by HNG Oil
11 Company?

12 A Yes, sir.

13 Q Basically, what is the nature of this application?

14 A To dual complete our Elliott Federal "31" Well
15 No. 1 in the Ellenburger and Fusselman zones.

16 Q Where is that well located, Mr. Lorette?

17 A In Unit A, Section 31, Township 24 South, Range
18 38 East.

19 Q When was it completed?

20 A February 15, 1972.

21 Q I hand you what has been marked as Exhibit No. 1,
22 Mr. Lorette. Would you just tell us briefly what that is?

23 A This is a location map of the general area of the
24 well in question.
25

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1 Q Does it reflect the offset operators?

2 A Yes, sir.

3 Q Who are the offset operators?

4 A Skelly Oil Company, Arco and Amoco Production
5 Company.

6 Q These companies have been furnished with copies
7 of your application?

8 A Yes, they have.

9 Q Have you heard anything from them, one way or
10 the other?

11 A I have not, any more than by telephone from Arco,
12 who we obtained the farmout from. Of course they approved
13 verbally.

14 Q What pool is this in, Mr. Lorette?

15 A It's in the West Dollarhide.

16 Q What formation is the West Dollarhide, generally?

17 A The Queens and the Tubb Drinkard. There is one
18 Devonian Well in the West Dollarhide.

19 Q Mr. Lorette, I hand you what has been marked as
20 Exhibit 2 and ask you to state what that is and explain it
21 briefly.

22 A This is a schematic drawing of the well as
23 completed, showing a Baker Model D packer at 10,000 feet
24 which was set and tested. It was set on an electric wire
25

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1 line and tied in with the formation log to ascertain that
2 it was exactly at 10,000 feet. And it was tested for leaks,
3 found not to leak at 2,000 pounds. The Ellenburger is
4 perforated at 10,228 to 10,244; the Fusselman is perforated
5 from 8656 to 66, 8794 to 16, 8776 to 82. We have a Baker
6 Model D parallel string anchor at 8780, with a seat nipple
7 in the Ellenburger string at 7969, and a seat nipple in
8 the Fusselman string at 6982.

9 Q What is the case and program in this well?

10 A Well, 13 3/8 casing was set at 572, cement was
11 circulated; 9 5/8 casing was set at 3790, cement was
12 circulated; 5 1/2 casing was set at 10,250, cement was
13 brought back to 4300 feet, determined by temperature survey.

14 Q What is the nature of the production from each
15 of the zones in which you perforated?

16 A The Fusselman swab tested approximately 250 barrels
17 a day. The pump capacity is 175. That is approximately
18 what it is producing at this time.

19 The Ellenburger swab tested approximately 200
20 barrels a day, the pump tested 86 barrels a day. There is
21 probably some formation damage. We may have to retreat,
22 but it is now shut in waiting on the outcome of this hearing.

23 Q Mr. Lorette, are the mechanics of the proposed
24 dual completion feasible and in accordance with good
25

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1 conservation and oil field practice?

2 A We feel that they are.

3 Q Will the approval of this application in a
4 dual completion of this well be in the interest of con-
5 servation, prevent waste and protect correlative rights?

6 A I feel like it will.

7 Q As a matter of fact, have you not completed
8 another well in the immediate vicinity, Mr. Lorette?

9 A Yes, sir, we have completed the Elliott Federal
10 "31" No. 2 in both the Ellenburger and the Fusselman.
11 The Ellenburger in that well flowed at the rate of 120 barrels
12 a day. The Fusselman swab tested approximately 300 barrels
13 a day.

14 Q Mr. Lorette, do you have a log of this well?

15 A Yes, sir, I do.

16 Q By whom was it prepared?

17 A Schlumberger.

18 Q Mr. Lorette, were Exhibits 1 and 2 prepared by
19 you or under your supervision?

20 A Yes, they were.

21 Q Was Exhibit No. 3 prepared by the Schlumberger
22 Services?

23 A Yes.

24 MR. JENNINGS: We would offer Exhibits
25

dearnley-meier reporting 3-22-68

1 1, 2 and 3.

2 MR. NUTTER: HNG Exhibits 1, 2 and 3
3 will be admitted in evidence.

4 (Whereupon, Exhibits 1, 2 and 3 offered
5 and admitted in evidence.)

6 CROSS EXAMINATION

7 BY MR. NUTTER:

8 Q Mr. Lorette, you mentioned that No. 2 had also
9 been completed in dual in the Ellenburger and the Fusselman?

10 A Yes, sir.

11 Q Is that the well that's directly west of this
12 subject well?

13 A Yes, it is.

14 Q And they are both identified by blue marks on
15 Exhibit 1?

16 A Yes, and if you will notice south, there is a
17 No. 4 and a No. 3 that are identified with a half blue.
18 Those -- No. 4 is now drilling, the No. 3 has reached T.D.,
19 has not been tested or completed.

20 Q Will an attempt be made to complete both of those
21 wells in the same formation?

22 A Yes, sir.

23 Q So if successful, you will have four duals in these
24 two zones?
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A Yes, sir.

Q Have you made application for administrative approval for the No. 2 well?

A No, we haven't.

Q After the approval of this first one, of course, the second well would be eligible?

A Yes, sir, we were waiting for the outcome of this hearing, before we submitted our application.

Q Now, could you give me something on the gravity and the bottom hole pressures?

A The bottom hole pressures are in the neighborhood of 2250 on the Fusselman and 2350 on the Ellenburger. The gravity of both sections are in the range of 41.5. They will vary some.

Q How about GOR?

A GOR on the Fusselman is 475 and the Ellenburger No. 1 is 525, I believe, in that range. On the No. 2, the Ellenburger was a little higher, in the range of 1,000, which indicates by a flow in which the other one didn't do.

Q You have a bottom hole differential there of about a hundred pounds. Is the Baker Model D packer sufficient to withstand that?

A Oh, yes, sir, it's designed for 7500 pound of differential.

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1 Q And the manner in which the well is equipped will
2 enable you to artificially lift the zones?

3 A Yes, sir, we have two strings of 2 1/16th tubing;
4 we have rod and pumps on both sides with dual pumping units.

5 Q So you would expect to be able to produce the
6 well sufficiently to depletion with this dual completion?

7 A Yes, sir.

8 MR. NUTTER: Are there further questions
9 of Mr. Lorette? You may be excused.

10 (Whereupon, the witness was excused.)

11 MR. NUTTER: Do you have anything further
12 Mr. Jennings?

13 MR. JENNINGS: No, sir,

14 MR. NUTTER: Does anyone have anything
15 they wish to offer in this case, No. 4678?
16 We will take the case under advisement.
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dearnley-meier reporting service

1
2 STATE OF NEW MEXICO)
3) ss
4 COUNTY OF SANTA FE)

5 I, BETTY J. LANPHERE, a Notary Public in and for the
6 County of Santa Fe, State of New Mexico, do hereby certify
7 that the foregoing and attached Transcript of Hearing
8 before the New Mexico Oil Conservation Commission was
9 reported by me; and that the same is a true and correct
10 record of the said proceedings, to the best of my knowledge,
11 skill and ability.

12
13 Betty J. Lanphere
Notary Public

14 My Commission Expires:

15 March 22, 1975

16
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21
22 I do hereby certify that the foregoing is
23 a complete record of the proceedings in
the Oil Conservation Commission hearing of Case No. 46574577, 4678
24 heard by me on 3/15, 1972.
25 [Signature] Headman
New Mexico Oil Conservation Commission



OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO
P. O. BOX 2088 - SANTA FE
87501

**GOVERNOR
BRUCE KING
CHAIRMAN**

**LAND COMMISSIONER
ALEX J. ARMIJO
MEMBER**

**STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR**

March 17, 1972

Mr. Charles B. Read
Post Office Box 2126
Roswell, New Mexico 88201

Re: Case No. 4677
Order No. R-4281
Applicant:

Charles B. Read

Dear Sir:

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

Very truly yours,

A. L. Porter, Jr.
A. L. PORTER, Jr.
Secretary-Director

ALP/ir

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 ON ITS OWN MOTION TO PERMIT CHARLES B. READ AND ALL OTHER INTERESTED PERSONS TO APPEAR AND SHOW CAUSE WHY THE CHARLES B. READ SINCLAIR STATE WELL No. 1, A SALT WATER DISPOSAL WELL, LOCATED IN UNIT 8 OF SECTION 2, TOWNSHIP 21 SOUTH, RANGE 33 EAST, NMPM, LYNCH POOL, LEA COUNTY, NEW MEXICO, SHOULD NOT BE EQUIPPED AND OPERATED AS REQUIRED BY COMMISSION ORDER NO. 3797.

CASE No. 4677
Order No. R-4281

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on March 15, 1972, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 17th day of March, 1972, the Commission, a quorum being present, having considered the record and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

That Case No. 4677 should be dismissed.

IT IS THEREFORE ORDERED:

That Case No. 4677 is hereby dismissed.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


Bruce King
BRUCE KING, Chairman

Alex J. Armiijo
ALEX J. ARMIJO, Member

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

CASE 4676: Application of Amoco Production Company for a non-standard location, Lea County, New Mexico. Applicant in the above-styled cause, seeks approval to recomplete its State "AZ" Well No. 4 at an off-pattern unorthodox oil well location 990 feet from the North and East lines of Section 34, Township 12 South, Range 34 East, Ranger Lake-Bough Pool, Lea County, New Mexico.

CASE 4680: Application of Midwest Oil Corporation for an unorthodox well location and amendment of Order No. R-4254, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location for a well to be drilled 1980 feet from the South line and 1900 feet from the West line of Section 6, Township 18 South, Range 29 East, undesignated Morrow Gas Pool, Eddy County, New Mexico, with the non-standard 299-acre proration unit comprising the S/2 of said Section 6 established by Order No. R-4254 to be dedicated to the well.

CASE 4657: (Continued from the February 16, 1972 Examiner Hearing; Will be dismissed)

Application of Chaparral Service, Inc. for an oil treating plant, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to install and operate a heat-treatment type oil treating plant in the SE/4 of Section 34, Township 21 South, Range 37 East, Lea County, New Mexico, for the reclamation of sediment oil.

CASE 4677: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Charles B. Read and all other interested persons to appear and show cause why the Charles B. Read Sinclair State Well No. 1, a salt

(Case 4677 continued)

water disposal well, located in Unit S of Section 2, Township 21 South, Range 33 East, Lynch Pool, Lea County, New Mexico, should not be equipped and operated as required by Commission Order No. R-3797.

CASE 4678: Application of HNG Oil Company for a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of its Elliott Federal "31" Well No. 1 located in Unit A of Section 31, Township 24 South, Range 38 East, Lea County, New Mexico, in such a manner as to permit the production of oil from the Dollarhide Fusselman and Dollarhide Ellenburger Pools through parallel strings of tubing.

CASE 4679: Application of Burk Royalty Company for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Yates-Seven Rivers formations in the perforated interval from 3705 feet to 3714 feet in its Neal Well No. 3 located in the NW/4 NE/4 NE/4 of Section 35, Township 20 South, Range 34 East, Lynch Yates-Seven Rivers Pool, Lea County, New Mexico.

CASE 4681: Application of Anadarko Production Company for a waterflood expansion and for directional drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the expansion of its Langlie-Mattix Penrose Sand Waterflood Project, Langlie-Mattix Pool, Lea County, New Mexico, by the injection of water into the Penrose Sand through seven directionally drilled wells which would be drilled in lieu of and/or in addition to those wells authorized by Commission Order No. R-4225. Surface locations of the seven proposed wells, all in Township 22 South, Range 37 East, would be: Well No. 1-2, 1220 feet from the South and West lines of Section 14; Well No. 8-5, 290 feet from the North and West lines of Section 21; Well No. 7-4, 55 feet from the North line and 2630 feet from the East line of Section 21; Well No. 6-2, 55 feet from the North line and 90 feet from the East line of Section 21; Well No. 5 A-3, 55 feet from the North line and 2550 feet from the West line of Section 22; Well No. 2-2, 980 feet from the North line and 1250 feet from the West line of Section 23; and Well No. 40-1, 1610 feet from the South line and 1220 feet from the West line of Section 23. Each of the above wells would be


Case 4677

George:

Attached is copies of the correspondence we've sent out to Charles B. Read. Also have attached copies of the forms that have been submitted on the well, none of which have been approved.

Dan Berry has been submitting C-120-A's on the well & has shown no disposal for the past two months.

March 15 is OK for hearing as far as I'm concerned.



OIL CONSERVATION COMMISSION

ROSBURG, NEW MEXICO 88240

September 2, 1971

C
O
P
Y

Charles B. Read
Box 2126
Roswell, New Mexico 88201

Dear Mr. Read:

We have received Form G-103 covering the conversion of the Sinclair State No. 1 located in Unit 6 of Section 2, T-21-S, R-33-E, as requested. However, we would like an explanation as to why lined tubing was not run and a packer set as required by Commission Order No. R-3797.

If this well is to continue to be used as a disposal well, you must comply with the provisions of Order No. R-3797.

Your immediate attention to this matter is required.

Yours very truly,

OIL CONSERVATION COMMISSION

Joe D. Ramsey
Supervisor, District 1

mc
cc-Dan G. Berry
% Oil Reports & Gas Services, Inc.
Hobbs, New Mexico

RECEIVED

FEB 14 1972

OIL CONSERVATION COMM.
SANTA FE

OIL CONSERVATION COMMISSION

ROOSE, NEW MEXICO 88240

January 11, 1972

C
O
P
Y

Charles B. Read
P. O. Box 2126
Roswell, New Mexico 88201

Dear Mr. Read:

On September 3, 1971, this office wrote to you requesting information as to why lined tubing and a packer was not run in your Sinclair State No. 1 located in Unit S of Section 2, T-21-S, R-33-E. Since that time we have heard nothing from you on this matter.

It now appears that the ownership of this well has been assumed by Mr. Dan Berry, since we have a Form C-104 dated July 19, 1971. However, as you know, we have not approved your Notice of Intent to do the work nor the subsequent report, which were filed under your name, and the work was done in your name.

If this office does not receive a report that the required tubing and packer has been run in this well by January 30, the matter will be set before a hearing to permit you or Mr. Berry to show cause why you should be permitted to continue using this well as a salt water disposal well under Order No. R-2757.

Yours very truly,

OIL CONSERVATION COMMISSION

Joe D. Ramey
Supervisor, District 1

JDR/mc

NO. OF COPIES RECEIVED	
DISTRICT OFFICE	
SANTA FE	
FILE	
NO. OF COPIES	
LAND OFFICE	
OPERATOR	

NEW MEXICO OIL CONSERVATION COMMISSION

Form O-101
Revised 1-1-65

5A. District Type of Permit	
STATE <input checked="" type="checkbox"/> NEW MEXICO	FEL <input type="checkbox"/>
5. State Oil & Gas Lease No.	
E-7825	

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work	DRILL <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>	7. Unit Agreement Name	
b. Type of Well	OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER SWD <input type="checkbox"/> SURFACE WELL <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>	8. Name of Lessee Name	Sinclair State
1. Name of Operator	Charles B. Read	9. Well No.	1
2. Address of Operator	P. O. Box 2126, Roswell, New Mexico 88201	10. Field Unit Post, or Wilson	Lynch
4. Location of Well	UNIT LETTER S LOCATED 2310 FEET FROM LINE South LINE AND 2310 FEET FROM THE West LINE OF SEC. 2 TWP. 21S RGC. 33E RMPM	12. County	Lea
15. Proposed Depth	-	19A. Permeation	Seven Rivers
21. Elevations (Show whether DF, RT, etc.)	3797.6' GL	21B. Drilling Contractor	Cactus Drilling Co.
21A. Kind & Status Plug. Bond	-	22. Approx. Date Work will start	-
23. PROPOSED CASING AND CEMENT PROGRAM		20. Rotary or C.R.	Rotary & CT

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
15"	12 3/4"	42#	357'	300	Cir to surface
11"	8 5/8"	24#	1850'	Mudded in & pulled	
8"	4 1/2"	9.5#	3776'	100	3673'

Open hole completion 3776-3783' DF
Well completed: 8/16/65

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

Signed R. D. [Signature] Title Production Clerk Date August 18, 1971
(This space for State Use)

APPROVED BY _____ TITLE _____ DATE _____
CONDITIONS OF APPROVAL, IF ANY:

NO. OF COPIES RECEIVED	
DISTRIBUTION	
SANTA FE	
FILE	
U.S.G.S.	
LAND OFFICE	
OPERATOR	

NEW MEXICO OIL CONSERVATION COMMISSION

Form C-103
Supersedes C-101
C-102 and C-103
Effective 1-1-65

MONTHLY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG A WELL IN A DIFFERENT RESERVOIR. USE APPLICATION FOR PERMIT TO DRILL OR TO DEEPEN FOR SUCH PURPOSES.)

1. OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input checked="" type="checkbox"/> Salt Water Disposal	7. Unit Agreement Name
2. Name of Operator Charles B. Read	8. Farm or Lease Name Sinclair State
3. Address of Operator P. O. Box 2126, Roswell, New Mexico 88201	9. Well No. 1
4. Location of Well UNIT LETTER <u>S</u> <u>2310</u> FEET FROM THE <u>South</u> LINE AND <u>2310</u> FEET FROM THE <u>West</u> LINE, SECTION <u>2</u> TOWNSHIP <u>21S</u> RANGE <u>33E</u> N.M.P.M.	10. Field and Pool, or Wildcat Lynch
15. Elevation (Show whether DF, RT, GR, etc.) 3797.6' GL	12. County Lea

16. Check Appropriate Box To Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	OTHER <u>convert to salt water disposal</u> <input checked="" type="checkbox"/>	CASING TEST AND CEMENT JOBS <input type="checkbox"/>	OTHER <input type="checkbox"/>

17. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

Disposing water down 4 $\frac{1}{2}$ " casing. Annulus 3/26/69 0# pressure
Open hole 3776-3783' DF Seven Rivers formation.

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

SIGNED [Signature] TITLE Production Clerk DATE August 18, 1971

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

DISTRICT	
FILE	
U.S.G.S.	
OFFICE	
TRANSPORTER	OIL
	GAS
OPERATOR	
PRODUCTION OFFICE	

NEW MEXICO OIL CONSERVATION COMMISSION
REQUEST FOR ALLOWABLE
AND
AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

Form C-104
Supersedes Oil C-104, 1-1-54
Effective 1-1-55

1. Operator: Mr. O. Dwyer
Address: 412 S. Santa Fe Ave., Santa Fe, N.M. 87501
Reason(s) for filing (Check proper box):
New Well ☐ Change in Transporter oil: Oil ☐ Dry Gas ☐
Recompletion ☐ Casinghead Gas ☐ Condensate ☐
Change in Ownership ☒ Other (Please explain):
If change of ownership give name and address of previous owner: Charles J. Dwyer, Box 2224, Roswell, New Mexico 88202

II. DESCRIPTION OF WELL AND LEASE

Lease Name	Well No.	Pool Name, including Formation	Kind of Lease	Lease No.
<u>Red State</u>	<u>1</u>	<u>Lynch Yates-Savon Rivers</u>	<u>State, Federal or Fee</u>	<u>E-7825</u>
Location				
Unit Letter	<u>S</u>	Feet From The	<u>South</u> Line and	<u>2310</u> Feet From The
Line of Section	<u>2</u>	Township	<u>21 S</u>	Range
			<u>33 E</u>	NMPM, <u>Ion</u> County

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil <input type="checkbox"/> or Condensate <input type="checkbox"/>	Address (Give address to which approved copy of this form is to be sent)
<u>None-Salt Water Disposal Well</u>	<u>- Order B-3787</u>
Name of Authorized Transporter of Casinghead Gas <input type="checkbox"/> or Dry Gas <input type="checkbox"/>	Address (Give address to which approved copy of this form is to be sent)
<u>None</u>	
If well produces oil or liquids, give location of tanks.	Unit Sec. Twp. Rge. Is gas actually connected? When

If this production is commingled with that from any other lease or pool, give commingling order number:

IV. COMPLETION DATA

Designate Type of Completion - (X)	Oil Well	Gas Well	New Well	Workover	Deepen	Plug Back	Same Res'v.	Diff. Res'v.
Date Spudded	Date Compl. Ready to Prod.	Total Depth	P.B.T.D.					
Elevations (DF, RKB, RT, GR, etc.)	Name of Producing Formation	Top Oil/Gas Pay	Tubing Depth					
Perforations	Depth Casing Shoe							
TUBING, CASING, AND CEMENTING RECORD								
HOLE SIZE	CASING & TUBING SIZE	DEPTH SET	SACKS CEMENT					

V. TEST DATA AND REQUEST FOR ALLOWABLE OIL WELL

(Test must be after recovery of total volume of load oil and must be equal to or exceed top allowable for this depth or be for full 24 hours)

Date First New Oil Run To Tanks	Date of Test	Producing Method (Flow, pump, gas lift, etc.)	
Length of Test	Tubing Pressure	Casing Pressure	Choke Size
Actual Prod. During Test	Oil-Bbls.	Water-Bbls.	Gas-MCF

GAS WELL

Actual Prod. Test-MCF/D	Length of Test	Bbls. Condensate/MMCF	Gravity of Condensate
Testing Method (pilot, back pr.)	Tubing Pressure (Shut-in)	Casing Pressure (Shut-in)	Choke Size

VI. CERTIFICATE OF COMPLIANCE

I hereby certify that the rules and regulations of the Oil Conservation Commission have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Thomas H. Hilde
(Signature)
Agent
(Title)
7/15/77
(Date)

OIL CONSERVATION COMMISSION

APPROVED _____, 19____
BY _____
TITLE _____

This form is to be filed in compliance with RULE 1102.
If this is a request for allowable for a newly drilled or deepened well, this form must be accompanied by a tabulation of the deviation tests taken on the well in accordance with RULE 111.
All sections of this form must be filled out completely for allowable on new and recompleted wells.
Fill out only Sections I, II, III, and VI for changes of owner, well name or number, or transporter, or other such change of condition.
Separate Forms C-104 must be filed for each pool in multiple.

No. 635858

RECEIPT FOR CERTIFIED MAIL—20¢

TO Mr. Charles B. Read		POSTMARK OR DATE
STREET AND NO. Box 2126		
CITY, STATE, AND ZIP CODE Roswell, New Mexico		
If you want a return receipt, check which <input type="checkbox"/> 10¢ shows to whom and when delivered <input type="checkbox"/> 35¢ shows to whom, when, and address where delivered If you want delivery only to addressee, check here <input type="checkbox"/> 50¢ fee		
FEES ADDITIONAL TO 20¢ FEE		
POD Form 3800 July 1963 NO INSURANCE COVERAGE PROVIDED— (See other side) NOT FOR INTERNATIONAL MAIL		

No. 635859

RECEIPT FOR CERTIFIED MAIL—20¢

TO Mr. Dan C. Berry		POSTMARK OR DATE
STREET AND NO. c/o Oil Reports & Gas Serv.		
CITY, STATE, AND ZIP CODE Hobbs, New Mexico		
If you want a return receipt, check which <input type="checkbox"/> 10¢ shows to whom and when delivered <input type="checkbox"/> 35¢ shows to whom, when, and address where delivered If you want delivery only to addressee, check here <input type="checkbox"/> 50¢ fee		
FEES ADDITIONAL TO 20¢ FEE		
POD Form 3800 July 1963 NO INSURANCE COVERAGE PROVIDED— (See other side) NOT FOR INTERNATIONAL MAIL		

PLEASE FURNISH SERVICE(S) INDICATED BY CHECKED BLOCK(S).
REQUIRED FEE(S) PAID.
☐ Show to whom, date and address where delivered
 ☐ Deliver ONLY to addressee

RECEIPT

Received the numbered article described below.

REGISTERED NO.	1 2 3	SIGNATURE OR NAME OF ADDRESSEE (Must always be filled in)
CERTIFIED NO. 635859		<i>Dan C. Berry</i>
INSURED NO.		SIGNATURE OF ADDRESSEE'S AGENT, IF ANY <i>Ann Strain</i>
DATE DELIVERED FEB 29 1972		SHOW WHERE DELIVERED (only if requested)

65-16-71548-11 847-126 GPO

PLEASE FURNISH SERVICE(S) INDICATED BY CHECKED BLOCK(S).
REQUIRED FEE(S) PAID.
☐ Show to whom, date and address where delivered
 ☐ Deliver ONLY to addressee

RECEIPT

Received the numbered article described below.

REGISTERED NO.	1 2 3	SIGNATURE OR NAME OF ADDRESSEE (Must always be filled in)
CERTIFIED NO. 635858		<i>Charles B. Read</i>
INSURED NO.		SIGNATURE OF ADDRESSEE'S AGENT, IF ANY <i>Martha Cole</i>
DATE DELIVERED FEB 29 1972		SHOW WHERE DELIVERED (only if requested)

65-16-71548-11 847-126 GPO

1. If you want the article delivered only to the addressee, endorse it on the front **DELIVER TO ADDRESSEE ONLY**. (Fee—50¢). Place the same endorsement in line 2 of the return receipt card. (Fee—35¢ or 50¢)
2. If you want the article delivered to you or to the addressee, place the left portion of the article in the return receipt card and the right portion in the return receipt card at a post office service window or hand it to your mail carrier. (Fee—50¢)
3. If you do not want this receipt postmarked, attach the receipt stub on the left portion of the address side of the article, detach and retain the receipt stub and mail the article.
4. If you want a return receipt, attach the return receipt stub on the left portion of the article and address on a return receipt card Form 3811, and attach it to the back of the article by means of the gummed ends. Endorse front of article **RETURN RECEIPT REQUESTED**. (Fee—50¢ or 55¢)
5. If you want the article delivered only to the addressee, endorse it on the front **DELIVER TO ADDRESSEE ONLY**. (Fee—50¢). Place the same endorsement in line 2 of the return receipt card.
6. Save this receipt and present it if you make inquiry. ★ 6 — Q-653009

1. If you want the article delivered only to the addressee, endorse it on the front **DELIVER TO ADDRESSEE ONLY**. (Fee—50¢). Place the same endorsement in line 2 of the return receipt card. (Fee—35¢ or 50¢)
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5. If you want the article delivered only to the addressee, endorse it on the front **DELIVER TO ADDRESSEE ONLY**. (Fee—50¢). Place the same endorsement in line 2 of the return receipt card.
6. Save this receipt and present it if you make inquiry. ★ 620-1261-Q-653009

POST OFFICE DEPARTMENT
OFFICIAL BUSINESS

POSTMARK OF DELIVERING OFFICE

Print your name and address below. If you want to restrict delivery, or to have the address of delivery shown on this receipt, check block(s) on other side. Moisten gummed ends and attach this card to back of article.

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

Case No. 4677

7000 Form 3811 Apr. 1969 65-16-71540-11

RETURN TO

POST OFFICE DEPARTMENT
OFFICIAL BUSINESS

POSTMARK OF DELIVERING OFFICE

Print your name and address below. If you want to restrict delivery, or to have the address of delivery shown on this receipt, check block(s) on other side. Moisten gummed ends and attach this card to back of article.

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

Case No. 4677

7000 Form 3811 Apr. 1969 65-16-71540-11

RETURN TO

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

February 28, 1972

CERTIFIED - RETURN
RECEIPT REQUESTED

Case 4677

Mr. Charles B. Read
P. O. Box 2126
Roswell, New Mexico

DO NOT WRITE

Date 3/3/72

Re: Charles B. Read Sinclair
State Well No. 1, Unit 3 of
Section 2, Township 21 South,
Range 33 East, Lynch Pool,
Lea County, New Mexico

Dear Mr. Read:

Enclosed is a copy of the notice given for cases
to be heard by an Examiner for the Commission on Wednes-
day, March 15, 1972, at 9:00 a.m., in the Oil Conservation
Commission Conference Room, State Land Office Building,
Santa Fe, New Mexico. Please note that Case 4677 con-
cerns a well of yours.

Yours very truly,

GEORGE M. HATCH
Attorney

GMH/dr

cc: Mr. Dan C. Berry - Hobbs ✓
Oil Conservation Commission - Hobbs

3/3/72

C
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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. 4168
Order No. R-3797

APPLICATION OF CHARLES B. READ
FOR SALT WATER DISPOSAL, LEA
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on July 9, 1969,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 15th day of July, 1969, 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, Charles B. Read, is the owner and
operator of the Sinclair State Well No. 1, located 2310 feet from
the South line and 2310 feet from the West line of Section 2,
Township 21 South, Range 33 East, NMPM, Lynch Pool, Lea County,
New Mexico.

(3) That the applicant proposes to utilize said well to
dispose of produced salt water into the Seven Rivers Reef
formation, with injection into the open-hole interval from
approximately 3783 feet to 3797 feet.

(4) That the injection should be accomplished through
2 3/8-inch plastic-lined tubing installed in a packer set at
approximately 3682 feet; that the casing-tubing annulus should
be filled with an inert fluid; and that a pressure gauge should

()

be attached to the annulus at the surface in order to determine leakage in the casing, tubing, or packer.

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

IT IS THEREFORE ORDERED:

(1) That the applicant, Charles B. Read, is hereby authorized to utilize his Sinclair State Well No. 1, located 2310 feet from the South line and 2310 feet from the West line of Section 2, Township 21 South, Range 33 East, NMPM, Lynch Pool, Lea County, New Mexico, to dispose of produced salt water into the Seven Rivers Reef formation, injection to be accomplished through 2 3/8-inch tubing installed in a packer set at approximately 3682 feet, with injection into the open-hole interval from approximately 3783 feet to 3797 feet;

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 at the surface in order to determine leakage in the casing, tubing, or packer.

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

(3) 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/

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

March 9, 1972

C
O
P
Y

Mr. Charles B. Read
Read & Stevens, Inc.
P. O. Box 2126
Roswell, New Mexico 88201

Re: Case 4677 to be heard
March 15, 1972

Dear Mr. Read:

Case 4677 will be dismissed and it will not
be necessary for you to be present.

Very truly yours,

GEORGE M. HATCH
Attorney

GMH/esr

CHARLES B. READ
PRESIDENT

NORMAN L. STEVENS, JR.
VICE-PRESIDENT

JOHN L. ANDERSON, JR.
EXPLORATION MANAGER

Read & Stevens, Inc.

Oil Producers

P.O. Box 2126

Roswell, New Mexico 88201

March 3, 1972

RECEIVED
MAR 4 1972
CONSERVATION COMM.
SANTA FE

RECEIVED
MAR 4 1972
CONSERVATION COMM.
SANTA FE

Mr. George M. Hatch
Attorney
Oil Conservation Commission
P.O. Box 2088
Santa Fe, New Mexico 87501

Dear Mr. Hatch:

Reference is made to your letter dated February 28, 1972 enclosing copy of notice of Case 4677 to be heard by the Commission on March 15, 1972 at 9:00 A.M.

Read & Stevens, Inc. was the operator of the Sinclair State #1 located in Unit S, Section 2-21S-33E, Lynch Pool, Lea County, New Mexico. The well was operated as a producing oil well until production declined to the point where it was no longer profitable to continue operations. The well was temporarily abandoned and an application was made to the Commission to convert the well to a salt water disposal well. Commission Order #R-3797 authorized us to equip and operate the well as a salt water disposal well. Injectivity tests were run by our company, however, it was found that the formation would not take the disposal water as anticipated due to a hydrogen sulfide gyp that was plugging the perforations. The cost of remedial treatment to work over the well and convert it to a salt water disposal well was not economical. The low oil production and high cost of water disposal did not justify converting the well to a salt water disposal and consequently, the well was abandoned. The lease and all equipment were sold to Mr. Dan C. Berry, P.O. Box 638, Eunice, New Mexico on March 1, 1971, who assumed operations of the property on that date. Read & Stevens, Inc. has not had any interest in this property since March 1, 1971.

It is respectfully requested that Charles B. Read and Read & Stevens, Inc. be dismissed from cause of action in the above-styled case.

Yours very truly,

READ & STEVENS, INC.

Charles B. Read
Charles B. Read

CBR:at

cc: Joe D. Ramey
Dan C. Berry

DRAFT

GMH/esr

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. 4677

Order No. R- 4281

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION ON ITS OWN MOTION TO PERMIT CHARLES B. READ AND ALL OTHER INTERESTED PERSONS TO APPEAR AND SHOW CAUSE WHY THE CHARLES B. READ SINCLAIR STATE WELL NO. 1, A SALT WATER DISPOSAL WELL, LOCATED IN UNIT S OF SECTION 2, TOWNSHIP 21 SOUTH, RANGE 33 EAST, NMPM, LYNCH POOL, LEA COUNTY, NEW MEXICO, SHOULD NOT BE EQUIPPED AND OPERATED AS REQUIRED BY COMMISSION ORDER NO. R-3797.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on March 15, 1972, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this day of March, 1972, the Commission, a quorum being present, having considered the record and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

Case 4677 should be dismissed.
That ~~the applicant's request for dismissal should be granted.~~

IT IS THEREFORE ORDERED:

That Case No. 4677 is hereby dismissed.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.