

CASE 3774; Application of ERNEST
A. HANSON for a dual completion,
Lea County, New Mexico.

Case Number

3774

Application
Transcripts.

Small Exhibits

ETC.

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. 3774
Order No. R-3422

APPLICATION OF ERNEST A. HANSON
FOR A DUAL COMPLETION, LEA COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 8 a.m. on May 22, 1968,
at Santa Fe, New Mexico, before Examiner Daniel S. Wutter.

NOW, on this 29th day of May, 1968, 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, Ernest A. Hanson, seeks authority
to complete his Max Gutman Well No. 5, located in Unit W of Sec-
tion 19, Township 22 South, Range 38 East, NMPM, Lea County, New
Mexico, as a dual completion (conventional) to produce oil from
the Drinkard Pool and the East Brunson-Granite Wash Pool through
parallel strings of 2 1/16-inch tubing, with separation of zones
by a packer set at approximately 7300 feet.

(3) That the mechanics of the proposed dual completion are
feasible and in accord with good conservation practices.

(4) That approval of the subject application will prevent
waste and protect correlative rights.

-2-

CASE No. 3774
Order No. R-3422

IT IS THEREFORE ORDERED:

(1) That the applicant, Ernest A. Hanson, is hereby authorized to complete his Max Gutman Well No. 5, located in Unit N of Section 19, Township 22 South, Range 38 East, NMPN, Lea County, New Mexico, as a dual completion (conventional) to produce oil from the Drinkard Pool and the East Brunson-Granite Wash Pool through parallel strings of 2 1/16-inch tubing, with separation of zones by a packer set at approximately 7300 feet;

PROVIDED HOWEVER, that the applicant shall complete, operate, and produce said well in accordance with the provisions of Rule 112-A of the Commission Rules and Regulations insofar as said rule is not inconsistent with this order;

PROVIDED FURTHER, that the applicant shall take packer-leakage tests upon completion and annually thereafter during the Annual Gas-Oil Ratio Test Period for the East Brunson-Granite Wash Pool.

(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

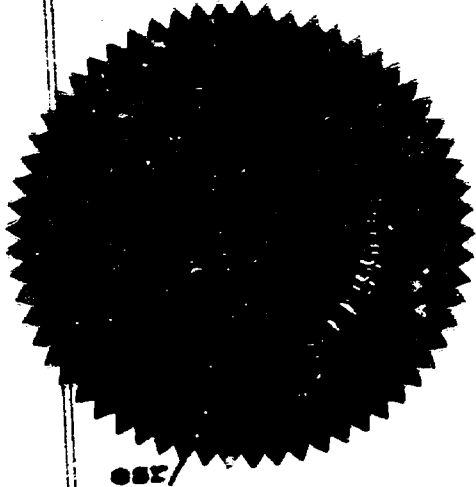
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

David F. Cargo
DAVID F. CARGO, Chairman

Guyton B. Hays
GUYTON B. HAYS, Member

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



State of New Mexico
Oil Conservation Commission



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

Re: Case No. 3762
Order No. R-3422 & R-3423
Applicant:
Ernest A. Hanson &
Attorneys at Law

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

Hobbs OCC x
Artesia OCC
Astec OCC
Other

CASE 3751 CONTINUED FROM PAGE -1-

tubing and gas from the Morrow formation through 2-inch tubing. Applicant also seeks an exception to the tubing requirements of Commission Rule 107 in that said 1.38-inch tubing would be set more than 250 feet above the uppermost Wolfcamp perforation. Applicant further seeks approval for the non-standard location for said well in the South Corbin-Morrow Gas Pool if the E/2 of said Section 29 is dedicated to the well as proposed, or in the alternative, applicant seeks approval for a non-standard gas proration unit for the well comprising the E/2 NW/4 and the NE/4 of said Section 29.

CASE 3771:

Application of Pennzoil Company for special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special pool rules for the South Corbin-Wolfcamp Oil Pool, Lea County, New Mexico, including a provision for 160-acre spacing and proration units.

CASE 3772:

Application of George L. Buckles Company for three waterflood projects, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute three waterflood projects by the injection of water into the Queen Sand of the Langlie-Mattix Pool in Township 25 South, Range 37 East, Lea County, New Mexico, as follows:

A waterflood project comprising all of Section 3 and the E/2 NE/4 and NE/4 SE/4 of Section 4, with injection to be through eight wells located in Units A, F, J, L, M, O, & P of Section 3, and Unit H of Section 4;

A waterflood project comprising the S/2 S/2 of Section 10, the W/2 SW/4 of Section 11, the W/2 NW/4 of Section 14, and the NE/4 and NE/4 NW/4 of Section 15, with injection to be through ten wells located in Units M & O of Section 10, Unit M of Section 11, Unit D of Section 14, and Units A, B, C, G, and H of Section 15.

A waterflood project comprising the NE/4 of Section 22, with injection to be through three wells located in Units B, G, and H of Section 22;

Numerous of the above-described water injection wells are proposed to be located at unorthodox locations, often 5 to 15 feet from the corners and/or boundaries of their respective 40-acre tracts.

PLEASE NOTE THAT THIS HEARING WILL START AT 8 O'CLOCK A.M.

Docket No. 16-68

DOCKET: EXAMINER HEARING - WEDNESDAY - MAY 22, 1968

8 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING - SANTA FE, NEW MEXICO

The following cases will be heard before Daniel S. Nutter, Examiner,
or Elvis A. Utz, Alternate Examiner:

CASE 3769: Application of Texas Pacific Oil Company for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the South Leonard (Queen) Unit Area comprising 640 acres, more or less, of Federal and Fee lands in Township 26 South, Range 37 East, Lea County, New Mexico.

CASE 3770: Application of Texas Pacific Oil Company for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in its South Leonard (Queen) Unit Area by the injection of water into the Queen formation through five wells located in Sections 13, 23, and 24, Township 26 South, Range 37 East, South Leonard-Queen Pool, Lea County, New Mexico.

CASE 3751: (Continued and readvertised from the April 24, 1968, Examiner Hearing):

Application of Pennzoil Company for a dual completion, tubing exception, and a non-standard gas well location or non-standard gas proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of its Hudson Federal 29 Well No. 1 located 660 feet from the North line and 1930 feet from the East line of Section 29, Township 18 South, Range 33 East, South Corbin Field, Lea County, New Mexico, in such a manner as to produce oil from the Wolfcamp formation through 1.38-inch ID

CASE 3773: Application of Mabee Royalties, Inc., and Yuronka and Chandler, for an amendment to Orders Nos. R-3263 and R-3388, Lea County, New Mexico. Applicants, in the above-styled cause, seek the amendment of Orders Nos. R-3263 and R-3388 to designate Mabee Royalties, Inc., as operators of the S/2 SW/4 and NE/4 SW/4 of Section 7, Township 22 South, Range 38 East, Lea County, New Mexico, rather than John Yuronka and Robert E. Chandler, who were originally designated as operators of said compulsorily pooled lands.

CASE 3774: Application of Ernest A. Hanson for a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of his Max Gutman Well No. 5 located in Unit N of Section 19, Township 22 South, Range 38 East, Lea County, New Mexico, in such a manner as to permit the production of Drinkard and East Brunson-Granite Wash oil through parallel strings of tubing.

CASE 3775: Application of Cities Service Oil Company for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to drill its State "AE" Well No. 2-Y at an unorthodox location 1420 feet from the South line and 990 feet from the West line of Section 36, Township 16 South, Range 36 East, Lovington-Abo Pool, Lea County, New Mexico. Said well will be bottomed no closer than 1420 feet to the South line nor farther than 990 feet from the West line of said Section 36, and will be drilled as a replacement for applicant's State "AE" Well No. 2 on the same 40-acre tract, which well must be abandoned due to a casing failure.

CASE 3776: Application of J. M. Huber Corporation for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Union-State Unit Area comprising 1360 acres, more or less, of State lands in Township 15 South, Range 32 East, Lea County, New Mexico.

CASE 3701 (Reopened):

In the matter of Case No. 3701 being reopened at the request of Coastal States Gas Producing Company to consider the amendment of the special pool rules for the Baum-Wolfcamp Pool, Lea County, New Mexico, to provide for 160-acre spacing and proration units with the assignment of 80-acre allowables.

NEW MEXICO OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
APPLICATION FOR MULTIPLE COMPLETION

Form C-107
5-1-61

not for hearing

Case 3774

Operator Ernest A. Hanson		County Lea	Date April 24, 1968
Address P. O. Box 1515, Roswell, N. M.		Lease Max Gutman	Well No. 5
Location of Well N	Unit 19	Township 22-South	Range 38-East

1. Has the New Mexico Oil Conservation Commission heretofore authorized the multiple completion of a well in these same pools or in the same zones within one mile of the subject well? YES ☒ NO ☒
2. If answer is yes, identify one such instance: Order No. **R-3160**; Operator Lease, and Well No.: **Hanson - #1 Gutman (Granite Wash & Blinbry MC #1779 Hanson - #2 Gutman (Paddock & Drinkard))**

3. The following facts are submitted:	Upper Zone	Intermediate Zone	Lower Zone
a. Name of Pool and Formation	Drinkard		Granite Wash
b. Top and Bottom of Pay Section (Perforations)	6392-6963'	<i>Within 1 mile of East Brummon - NW</i>	7356-7391'
c. Type of production (Oil or Gas)	Oil		Oil
d. Method of Production (Flowing or Artificial Lift)	Flowing		Flowing

4. The following are attached. (Please check YES or NO)

- | | | |
|-------------------------------------|--------------------------|---|
| Yes | No | |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | a. Diagrammatic Sketch of the Multiple Completion, showing all casing strings, including diameters and setting depths, centralizers and/or turbolizers and location thereof, quantities used and top of cement, perforated intervals, tubing strings, including diameters and setting depth, location and type of packers and side door chokes, and such other information as may be pertinent. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | b. Plat showing the location of all wells on applicant's lease, all offset wells on offset leases, and the names and addresses of operators of all leases offsetting applicant's lease. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | c. Waivers consenting to such multiple completion from each offset operator, or in lieu thereof, evidence that said offset operators have been furnished copies of the application.* |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | d. Electrical log of the well or other acceptable log with tops and bottoms of producing zones and intervals of perforation indicated thereon. (If such log is not available at the time application is filed it shall be submitted as provided by Rule 112-A.) |

5. List all offset operators to the lease on which this well is located together with their correct mailing address.

Marathon Oil Co., P. O. Box 552, Midland, Texas

Gulf Oil Corp., P. O. Box 1938, Roswell, New Mexico

Texaco, Inc., P. O. Box 2248, Roswell, New Mexico

American Petrofina Co., P. O. Box 1311, Big Spring, Texas

Texas Pacific Oil Co., P. O. Box 747, Midland, Texas

Wolfson Oil Co., 3206 Republic National Bank Tower, Dallas 2, Texas

6. Were all operators listed in Item 5 above notified and furnished a copy of this application? YES ☒ NO ☐ . If answer is yes, give date of such notification **April 24, 1968**

CERTIFICATE: I, the undersigned, state that I am the **Exploration Manager** of the **Ernest A. Hanson** (company), and that I am authorized by said company to make this report; and that this report was prepared under my supervision and direction and that the facts stated therein are true, correct and complete to the best of my knowledge.

DOCKET MAILED

Harry F. Schmitt
Signature

*Should waivers from all offset operators not accompany an application for administrative approval, the New Mexico Oil Conservation Commission will hold the application for a period of twenty (20) days from date of receipt by the Commission's Santa Fe office. If, after said twenty-day period, no protest nor request for hearing is received by the Santa Fe office, the application will then be processed.

NOTE: If the proposed multiple completion will result in an unorthodox well location and/or a non-standard perforation unit in one or more of the producing zones, then separate application for approval of the same should be filed simultaneously with this application.

dearnley-meier reporting service, inc.

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

1129 SUMMIT BUILD. • P. O. BOX 1897 • PHONE 343-4491 • ALBUQUERQUE, NEW MEXICO



BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
May 22, 1968

EXAMINER HEARING

IN THE MATTER OF:)

Application of Ernest A. Hanson)
for a dual completion, Lea)
County, New Mexico.)

Case No. 3774

BEFORE: Daniel S. Nutter, Examiner

TRANSCRIPT OF HEARING

MR. NUTTER: We will call Case 3774.

MR. HATCH: Case 3774. Application of Ernest A. Hanson for a dual completion, Lea County, New Mexico.

MR. KELLAHIN: If the Examiner please, Jason Kellahin, Kellahin and Fox, appearing for the applicant. I have one witness I would like to have sworn.

(Witness sworn.)

MR. KELLAHIN: If the Examiner please, the exhibits to be used in this case were attached to the application, and we would like to have those admitted as the exhibits in this case.

MR. NUTTER: I presume you are referring to the schematic diagrams and the plats?

MR. KELLAHIN: That's right.

MR. NUTTER: These will be admitted as exhibits.

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

HARRY F. SHAM

called as a witness, having been first duly sworn, was examined and testified as follows:

DIRECT EXAMINATION

BY MR. KELLAHIN:

Q State your name, please.

A Harry F. Sham.

Q By whom are you employed and in what position?

A Exploration Manager for Ernest A. Hanson.

Q Where are you located?

A Roswell, New Mexico.

Q Have you testified before the Oil Conservation Commission and made your qualifications a matter of record?

A Yes, sir.

MR. KELLAHIN: Are the witness's qualifications acceptable?

MR. NUTTER: Yes, they are.

Q (By Mr. Kellahin) Mr. Sham, are you familiar with the application of Ernest A. Hanson in Case No. 3774?

A Yes, sir.

Q Briefly, what is proposed by Mr. Hanson in this application?

A Briefly, the application asks for approval to dually complete the Ernest A. Hanson No. 5 Max Gutman well out of the Drinkard at 6392 to 6963 and the Granite Wash at 7356 to 91.

Q Has that completion been made already?

A Yes.

Q Attached to the application filed in this case were certain exhibits. Would you go through the exhibits attached

to the application and describe them?

A The first exhibit, I believe, is the diagrammatic sketch, which simply shows the casing strings and the tubing where the packer is set, and the perforations with relation to the tubular goods.

Q The production from the two zones will be through tubing in each case?

A Yes, sir.

Q Is this a conventional type of completion that has been approved by the Commission?

A Yes, sir.

Q Are there other dual completions in the area similar to this?

A Yes, we have two dual completions on the same lease. However, they are a combination of different zones. However, both of these zones are dualled on the same lease with other zones.

Q What other zones are involved there?

A Well, on our No. 1 Gutman, the Granite Wash was completed with the Blinbry and on the No. 2 Gutman the Drinkard was completed with the Paddock formation.

Q Attached to the application is a plat showing the location of the well and offsetting ownership, is there not?

A Yes, sir. This simply shows the operators surrounding us and the location of the well in relation to our lease.

Q Has the packer leakage test been made on this well as yet?

A No. At the present time the Drinkard is shut-in and the Granite Wash is being produced. As soon as we can produce both zones we will run the packer leakage test.

Q Do you have any information on the pressures in the two zones?

A Yes. The Granite Wash has a shut-in pressure of 900 pounds and flows, is presently flowing on an intermitter which ranges between 900 and 100 pounds.

MR. NUTTER: 900 pounds, that's at surface?

THE WITNESS: Yes, that's surface pressure. The Drinkard has a shut-in pressure of 1500 pounds.

Q (By Mr. Kellahin) That also is a surface shut-in pressure?

A Yes, that's a surface shut-in pressure.

Q As soon as the packer leakage test has been performed, you will file the proper forms with the Commission?

A Yes.

Q Do you have any information on the fluid characteristics of the two zones? Is there any substantial

difference in them?

A No. Actually both zones are approximately 40 gravity oil and there's just almost no difference in the oils themselves unless it would be color. One is a yellow oil, the other is a green oil, but we have never had them analyzed. They're basically the same, however.

MR. KELLAHIN: We offer in evidence the exhibits attached to the application.

MR. NUTTER: Applicant's exhibits is how they have been identified, will be admitted in evidence.

(Whereupon, Exhibits 1 and 2 were offered and admitted in evidence.)

CROSS EXAMINATION

BY MR. NUTTER:

Q What are the GOR's here?

A We have not run GOR's at this time. We will run both the GOR's and the packer leakage test at the same time.

Q I see.

MR. NUTTER: Are there any other questions of Mr. Sham? He may be excused.

(Witness excused.)

MR. NUTTER: Do you have anything further, Mr. Kellahin?

MR. KELLAHIN: That's all I have, Mr. Nutter.

MR. NUTTER: Does anyone have anything they wish to offer in Case 3774? We will take the case under advisement.

I N D E X

WITNESS

HARRY F. SHAM

Direct Examination by Mr. Kellahin

Cross Examination by Mr. Nutter

PAGE

2

6

EXHIBITS

MARKED

Exhibits No. 1 & 2

2

OFFERED AND
ADMITTED

6

STATE OF NEW MEXICO)
) ss
 COUNTY OF BERNALILLO)

I, ADA DEARNLEY, Notary Public in and for the County of Bernalillo, State of New Mexico, do hereby certify that the foregoing and attached Transcript of Hearing before the New Mexico Oil Conservation Commission was reported by me; and that the same is a true and correct record of the said proceedings, to the best of my knowledge, skill and ability.

Witness my Hand and Seal this 10th day of June, 1968.

Ada Dearnley
 NOTARY PUBLIC

My Commission Expires:

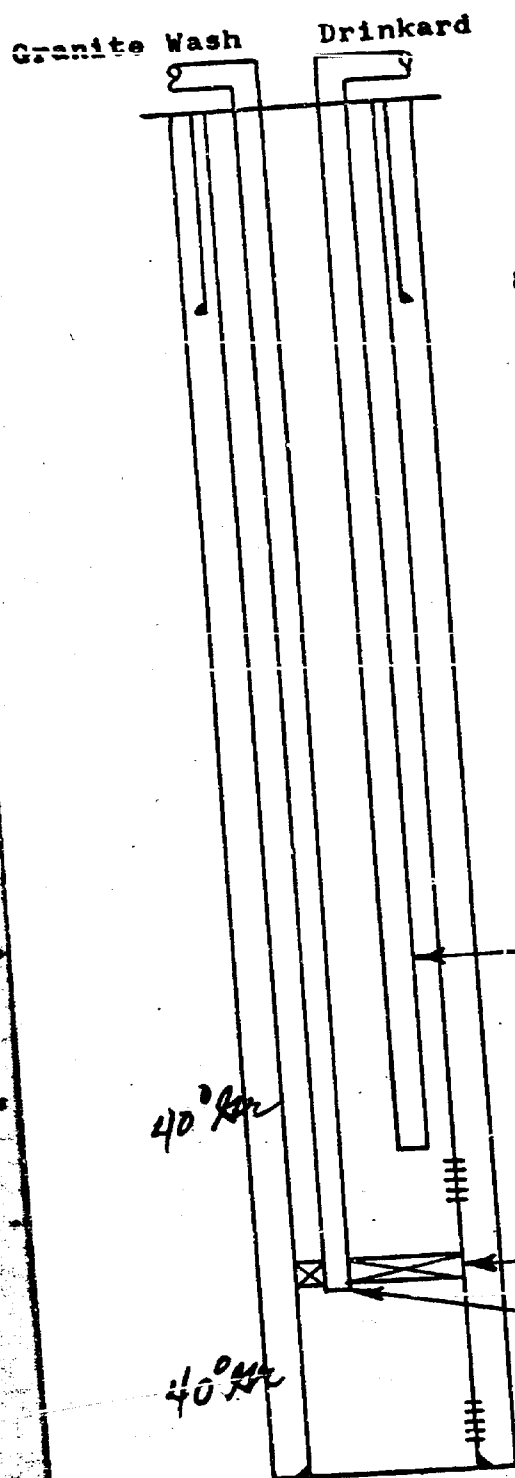
June 19, 1971.

I do hereby certify that the foregoing is
 a complete record of the proceedings in
 the Examiner hearing of Case No. 3774
 heard by me on 5/22, 1968.

[Signature], Examiner
 New Mexico Oil Conservation Commission

DIAGRAMMATIC SKETCH OF THE MULTIPLE COMPLETION

Ernest A. Hanson - #5 Max Gutman



8-5/8" casing @ 1180' w/450 sx. (Cmt. circ. to surf.)

5-1/2" casing @ 7447' w/625 sx.

BEFORE EXAMINER NUTTER	
OIL CONSERVATION COMMISSION	
EXHIBIT NO. <u>1</u>	
CASE NO. <u>3774</u>	

2-1/16" tubing set @ 6350' (Drinkard)

SI Press of 1500 surf

Drinkard perfs. @ 6392-6963'

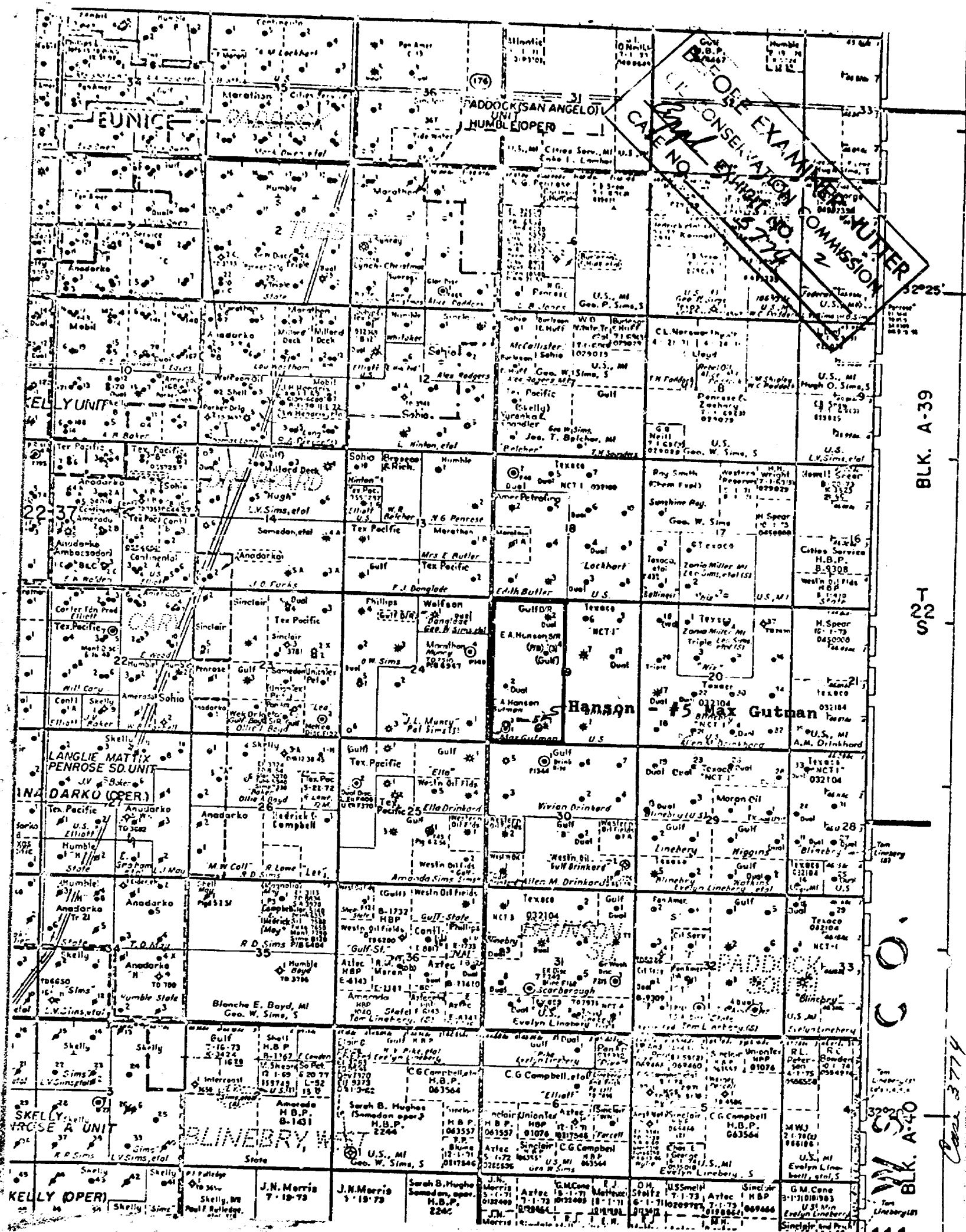
Otis 5-1/2" Perma-Trieve Packer set @ 7300'

2-1/16" tubing set @ 7300' (Granite Wash)

Granite Wash perfs. @ 7356-7391'
PBTD @ 7419'
TD @ 7447'

SI Press of 900

Case 3774



No. 211423

No. 211424

No. 211425

No. 211426

SENT TO MARATHON OIL COMPANY STREET AND NO. P. O. Box 552 MIDLAND, TEXAS 79701		APR 24 1968 EX	
POSTMARK OR DATE		If you want a return receipt, check which 104 shows to whom, 354 shows to whom. If you want delivery, check here.	
<input type="checkbox"/> 104 shows to whom, 354 shows to whom. <input type="checkbox"/> 354 shows to whom.		<input type="checkbox"/> 104 shows to whom, 354 shows to whom. <input type="checkbox"/> 354 shows to whom.	
FEES ADDITIONAL TO 30¢ PER		CAUTION—NOT FOR (See other side)	

SENT TO

GULF OIL CORPORATION

STREET AND NO. P. O. Box 1938

CITY AND STATE Roswell, New Mexico 88201

APR 24 1963

POSTMARK OR DATE

IF you want a return receipt, check which of those to whom, when, and address was delivered ☒ 1st show ☐ 2nd when delivered

FEES ADDITIONAL TO 20¢ FEE ☐ 50¢ fee ☐ 50¢ fee

CAUTION—NOT FOR MAIL (See other side)

FD-36 (Rev. 1-1962)

SENT TO
TEXACO, INC.
STREET AND NO.
P. O. Box 2248
CITY AND STATE
ROSWELL, New Mexico 88201

If you want a return receipt, check which
10 shows ☒ to whom
delivered and when
FEE ADDITIONAL TO 20¢ FEE

50¢ fee ☐ If you want to
35¢ charge to whom,
when, and address
where delivered
any, check here

POSTMARK
OR DATE

(See other side)

POSTMARK OR DATE		TEXAS PACIFIC OIL COMPANY	
STREET AND NO.		P. O. Box 747	
CITY AND STATE		MIDLAND, TEXAS 79701	
If you want a return receipt, check which		<input type="checkbox"/> 55¢ shows to whom, and address where delivered	
If you want restricted delivery, check here		<input type="checkbox"/> 50¢ fee	
FEES ADDITIONAL TO 30¢ PER			
CAUTION—NOT FOR (See other side)			

RECEIPT FOR CERTIFIED MAIL—20¢	
SENT TO AMERICAN PETROFINA COMPANY	POSTMARK OR DATE
STREET AND NO. P. O. Box 1311	
CITY AND STATE BIG SPRING, TEXAS	
ZIP CODE 79720	
IF YOU WANT RETURN RECEIPT, CHECK WITH	
<input checked="" type="checkbox"/> 10¢ above	<input type="checkbox"/> 5¢ above to whom, and when delivered
IF YOU WANT RECEIPT DELIVERED, CHECK HERE	<input type="checkbox"/> 50¢ fee
FEES ADDITIONAL TO 20¢ FEE	
POSTAGE 100 Form 3800 JUNE 1962	CAUTION—NOT FOR INTERNATIONAL MAIL (See other side)

No. 211428

RECEIPT FOR CERTIFIED MAIL—20¢

SENT TO
WOLFSON OIL COMPANY
STREET AND NO.
3206 REPUBLIC NATIONAL BANK TOWER
CITY AND STATE
DALLAS 2, TEXAS

☒ If you want a return receipt, check which
10¢ shows to whom
to whom ☐ 35¢ shows to whom,
and when ☐ when, and address
delivered where delivered ☐ 50¢ fee

FEES ADDITIONAL TO 20¢ FEE

POSTMARK
OR DATE

POD Form 3800
June 1932

CAUTION—NOT FOR
INTERNATIONAL MAIL

(See other side)

No. 211427

No. 211428

Order 3774

AtlanticRichfieldCompany

North American Producing Division
New Mexico Arizona District
Post Office Box 1978
Roswell, New Mexico 88201
Telephone 505 622 4041

W. P. Tomlinson
District Engineer



April 8, 1968

CO-OWNERS NORTH CROSSROADS UNIT

Re: Salt Water Disposal Facilities

Gentlemen:

We plan to request a hearing before the New Mexico Oil Conservation Commission to obtain a permit to dispose of produced water in the Bough "C" Formation in our State "AE" No. 2 well, located 1980' FSL, 560' FWL, Section 36, Township 8 South, Range 36 East, Allison Penn. Pool, Roosevelt County, New Mexico.

Attached are a plat, well log, cross-section and well bore diagram of our planned completion. We plan to inject water down tubing, with a packer set at approximately 9600', into existing Bough "C" perforations 9662' to 9672'. We expect to inject approximately 150 BWPD into this well. It is our conclusion that the injection of this volume of water back into the producing horizon will have no effect on existing producing wells. The nearest active producer is Atlantic Richfield Company's State "AE" No. 1 well which is two locations to the north of the subject well.

Since you have leases in the area or are co-owners in this lease, we request that you waive objection by signing a copy of this letter in the space provided below and returning it to us.

Your cooperation in this matter will be appreciated.

Yours very truly,

W. P. Tomlinson

JLT:jcb

Agreed and Accepted this 16th day of April, 1968.

By: Don B. Smith

Representing: Mobil Oil Corp

MAILING LIST

Gulf Oil Corporation
P. O. Box 1938
Roswell, New Mexico
88201

Mobil Oil Corporation
P. O. Box 633
Midland, Texas
79701

Skelly Oil Company
P. O. Box 730
Hobbs, New Mexico
88240

Chase Petroleum Company
405 North Marienfeld
Midland, Texas
79701

Texas Pacific Oil Company
P. O. Box 4067
Midland, Texas
79701

John M. Kelly
P. O. Box 310
Roswell, New Mexico
88201

Sunray D-X Oil Company
1101 Wilco Building
Midland, Texas
79701

Yates Petroleum Corporation
207 South 4th Street
Artesia, New Mexico
88210

Shell Oil Company
P. O. Box 1509
Midland, Texas
79701

Great Western Drilling Company
P. O. Box 1659
Midland, Texas
79701

AtlanticRichfieldCompany

North American Producing Division
New Mexico - Arizona District
Post Office Box 1978
Roswell, New Mexico 88201
Telephone 505 622 4041

W. P. Tomlinson
District Engineer

April 8, 1968

CO-OWNERS NORTH CROSSROADS UNIT

Re: Salt Water Disposal Facilities

Gentlemen:

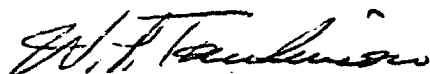
We plan to request a hearing before the New Mexico Oil Conservation Commission to obtain a permit to dispose of produced water in the Bough "C" Formation in our State "AE" No. 2 well, located 1980' FSL, 560' FWL, Section 36, Township 8 South, Range 36 East, Allison Penn. Pool, Roosevelt County, New Mexico.

Attached are a plat, well log, cross-section and well bore diagram of our planned completion. We plan to inject water down tubing, with a packer set at approximately 9600', into existing Bough "C" perforations 9662' to 9672'. We expect to inject approximately 150 BWPD into this well. It is our conclusion that the injection of this volume of water back into the producing horizon will have no effect on existing producing wells. The nearest active producer is Atlantic Richfield Company's State "AE" No. 1 well which is two locations to the north of the subject well.

Since you have leases in the area or are co-owners in this lease, we request that you waive objection by signing a copy of this letter in the space provided below and returning it to us.

Your cooperation in this matter will be appreciated.

Yours very truly,



W. P. Tomlinson

JLT:jcb

Agreed and Accepted this 17th day of April, 1968.

By:



Representing: GREAT WESTERN DRILLING COMPANY



SHELL OIL COMPANY

WESTERN DIVISION
P. O. BOX 1509
MIDLAND, TEXAS 79701

April 17, 1968

Atlantic Richfield Company
P. O. Box 1978
Roswell, New Mexico 88201

Attention: Mr. W. P. Tomlinson

Gentlemen:

Attached is the approved waiver for salt water disposal into the producing interval in the Allison Pool, Roosevelt County, New Mexico. Shell Oil Company has no objection to the disposal of produced water in the manner described in your letter of April 8, 1968.

Yours very truly,

J. E. R. Sheeler
Division Production Manager

GAM: CW

Attachments

Atlantic Richfield Company

North American Producing Division
New Mexico-Arizona District
Post Office Box 1978
Roswell, New Mexico 88201
Telephone 505 622 4041

W. P. Tomlinson
District Engineer

April 6, 1968

CO-OWNERS NORTH CROSSROADS UNIT

Re: Salt Water Disposal Facilities

Gentlemen:

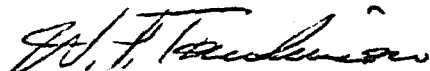
We plan to request a hearing before the New Mexico Oil Conservation Commission to obtain a permit to dispose of produced water in the Bough "C" Formation in our State "AE" No. 2 well, located 1980' FSL, 560' FWL, Section 36, Township 8 South, Range 36 East, Allison Penn. Pool, Roosevelt County, New Mexico.

Attached are a plat, well log, cross-section and well bore diagram of our planned completion. We plan to inject water down tubing, with a packer set at approximately 9600', into existing Bough "C" perforations 9662' to 9672'. We expect to inject approximately 150 BWPD into this well. It is our conclusion that the injection of this volume of water back into the producing horizon will have no effect on existing producing wells. The nearest active producer is Atlantic Richfield Company's State "AE" No. 1 well which is two locations to the north of the subject well.

Since you have leases in the area or are co-owners in this lease, we request that you waive objection by signing a copy of this letter in the space provided below and returning it to us.

Your cooperation in this matter will be appreciated.

Yours very truly,



W. P. Tomlinson

JLT:jcb

Agreed and Accepted this 17 day of April, 1968.

By: 

Representing: Shell Oil Company

AllanticRichfieldCompany

North American Producing Division
New Mexico-Arizona District
Post Office Box 1978
Roswell, New Mexico 88201
Telephone 505 622 4041

W. P. Tomlinson
District Engineer

April 8, 1968

CO-OWNERS NORTH CROSSROADS UNIT

Re: Salt Water Disposal Facilities

Gentlemen:

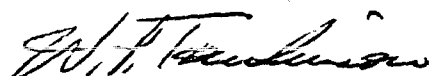
We plan to request a hearing before the New Mexico Oil Conservation Commission to obtain a permit to dispose of produced water in the Bough "C" Formation in our State "AE" No. 2 well, located 1980' FSL, 560' FWL, Section 36, Township 8 South, Range 36 East, Allison Penn. Pool, Roosevelt County, New Mexico.

Attached are a plat, well log, cross-section and well bore diagram of our planned completion. We plan to inject water down tubing, with a packer set at approximately 9600', into existing Bough "C" perforations 9662' to 9672'. We expect to inject approximately 150 BWPD into this well. It is our conclusion that the injection of this volume of water back into the producing horizon will have no effect on existing producing wells. The nearest active producer is Atlantic Richfield Company's State "AE" No. 1 well which is two locations to the north of the subject well.

Since you have leases in the area ~~or are co-owners in this lease~~, we request that you waive objection by signing a copy of this letter in the space provided below and returning it to us.

Your cooperation in this matter will be appreciated.

Yours very truly,



W. P. Tomlinson

JLT:jcb

Agreed and Accepted this 11 day of April, 1968.

By: 

Representing: Texas Pacific Oil Company



MAILING LIST

Gulf Oil Corporation
P. O. Box 1938
Roswell, New Mexico
88201

Mobil Oil Corporation
P. O. Box 633
Midland, Texas
79701

Skelly Oil Company
P. O. Box 730
Hobbs, New Mexico
88240

Chase Petroleum Company
406 North Marienfeld
Midland, Texas
79701

Texas Pacific Oil Company
P. O. Box 4067
Midland, Texas
79701

John M. Kelly
P. O. Box 310
Roswell, New Mexico
88201

Sunray D-X Oil Company
1101 Wilco Building
Midland, Texas
79701

Yates Petroleum Corporation
207 South 4th Street
Artesia, New Mexico
88210

Shell Oil Company
P. O. Box 1509
Midland, Texas
79701

Great Western Drilling Company
P. O. Box 1659
Midland, Texas
79701

AtlanticRichfieldCompany

North American Producing Division
New Mexico-Arizona District
Post Office Box 1978
Roswell, New Mexico 88201
Telephone 505 622 4041

W. P. Tomlinson
District Engineer

April 8, 1968

CO-OWNERS NORTH CROSSROADS UNIT

Re: Salt Water Disposal Facilities

Gentlemen:

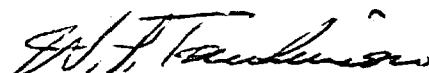
We plan to request a hearing before the New Mexico Oil Conservation Commission to obtain a permit to dispose of produced water in the Bough "C" Formation in our State "AE" No. 2 well, located 1980' FSL, 560' FWL, Section 36, Township 8 South, Range 36 East, Allison Penn. Pool, Roosevelt County, New Mexico.

Attached are a plat, well log, cross-section and well bore diagram of our planned completion. We plan to inject water down tubing, with a packer set at approximately 9600', into existing Bough "C" perforations 9662' to 9672'. We expect to inject approximately 150 BWPD into this well. It is our conclusion that the injection of this volume of water back into the producing horizon will have no effect on existing producing wells. The nearest active producer is Atlantic Richfield Company's State "AE" No. 1 well which is two locations to the north of the subject well.

Since you have leases in the area or are co-owners in this lease, we request that you waive objection by signing a copy of this letter in the space provided below and returning it to us.

Your cooperation in this matter will be appreciated.

Yours very truly,



W. P. Tomlinson

JLT:jcb

Agreed and Accepted this ____ day of _____, 1968.

By: _____

Representing: SUNRAY DX OIL COMPANY

*Sunray Dx Oil Co. no longer has the lease on the NE/4 Sec. 36
T-8-S, R-38-E.*

*H. Aschell, Jr.
Acting Division Engineer*

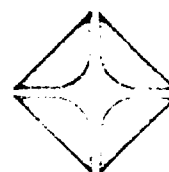
Atlantic Richfield Company

North American Producing Division
New Mexico-Arizona District
Post Office Box 1978
Roswell, New Mexico 88201
Telephone 505 622 4041

W. P. Tomlinson
District Engineer

File

ST



April 8, 1968

CO-OWNERS NORTH CROSSROADS UNIT

Re: Salt Water Disposal Facilities

Gentlemen:

We plan to request a hearing before the New Mexico Oil Conservation Commission to obtain a permit to dispose of produced water in the Bough "C" Formation in our State "AE" No. 2 well, located 1980' FSL, 560' FWL, Section 36, Township 8 South, Range 36 East, Allison Penn. Pool, Roosevelt County, New Mexico.

Attached are a plat, well log, cross-section and well bore diagram of our planned completion. We plan to inject water down tubing, with a packer set at approximately 9600', into existing Bough "C" perforations 9662' to 9672'. We expect to inject approximately 150 BWPD into this well. It is our conclusion that the injection of this volume of water back into the producing horizon will have no effect on existing producing wells. The nearest active producer is Atlantic Richfield Company's State "AE" No. 1 well which is two locations to the north of the subject well.

Since you have leases in the area or are co-owners in this lease, we request that you waive objection by signing a copy of this letter in the space provided below and returning it to us.

Your cooperation in this matter will be appreciated.

Yours very truly,

W. P. Tomlinson

JLT:jcb

Agreed and Accepted this 9 day of APRIL, 1968.

By:

Representing: JOHN M. KELLY

MAILING LIST

Gulf Oil Corporation
P. O. Box 1938
Roswell, New Mexico
88201

Mobil Oil Corporation
P. O. Box 633
Midland, Texas
79701

Skelly Oil Company
P. O. Box 730
Hobbs, New Mexico
88240

Chase Petroleum Company
406 North Marienfeld
Midland, Texas
79701

Texas Pacific Oil Company
P. O. Box 4057
Midland, Texas
79701

John M. Kelly
P. O. Box 310
Roswell, New Mexico
88201

Sunray D-X Oil Company
1101 Wilco Building
Midland, Texas
79701

Yates Petroleum Corporation
207 South 4th Street
Artesia, New Mexico
88210

Shell Oil Company
P. O. Box 1509
Midland, Texas
79701

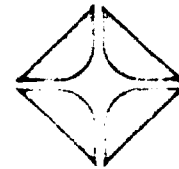
Great Western Drilling Company
P. O. Box 1659
Midland, Texas
79701

AtlanticRichfieldCompany

North American Producing Division
New Mexico-Arizona District
Post Office Box 1978
Roswell, New Mexico 88201
Telephone 505 622 4041

W. P. Tomlinson
District Engineer

File
JT



April 8, 1968

CO-OWNERS NORTH CROSSROADS UNIT

Re: Salt Water Disposal Facilities

Gentlemen:

We plan to request a hearing before the New Mexico Oil Conservation Commission to obtain a permit to dispose of produced water in the Bough "C" Formation in our State "AE" No. 2 well, located 1980' FSL, 560' FWL, Section 36, Township 8 South, Range 36 East, Allison Penn. Pool, Roosevelt County, New Mexico.

Attached are a plat, well log, cross-section and well bore diagram of our planned completion. We plan to inject water down tubing, with a packer set at approximately 9600', into existing Bough "C" perforations 9662' to 9672'. We expect to inject approximately 150 BWPd into this well. It is our conclusion that the injection of this volume of water back into the producing horizon will have no effect on existing producing wells. The nearest active producer is Atlantic Richfield Company's State "AE" No. 1 well which is two locations to the north of the subject well.

Since you have leases in the area or are co-owners in this lease, we request that you waive objection by signing a copy of this letter in the space provided below and returning it to us.

Your cooperation in this matter will be appreciated.

Yours very truly,

W. P. Tomlinson

JLT:jcb

Agreed and Accepted this 10th day of April, 1968.

By:
District Production Manager
Representing: GULF OIL CORPORATION

MAILING LIST

Gulf Oil Corporation
P. O. Box 1938
Roswell, New Mexico
88201

Mobil Oil Corporation
P. O. Box 633
Midland, Texas
79701

Skelly Oil Company
P. O. Box 730
Hobbs, New Mexico
88240

Chase Petroleum Company
405 North Marienfeld
Midland, Texas
79701

Texas Pacific Oil Company
P. O. Box 4057
Midland, Texas
79701

John M. Kelly
P. O. Box 310
Roswell, New Mexico
88201

Sunray D-X Oil Company
1101 Wilco Building
Midland, Texas
79701

Yates Petroleum Corporation
207 South 4th Street
Artesia, New Mexico
88210

Shell Oil Company
P. O. Box 1509
Midland, Texas
79701

Great Western Drilling Company
P. O. Box 1659
Midland, Texas
79701