

CASE 4091: Application of UNION  
OIL COMPANY OF CALIFORNIA FOR A  
DUAL AND SALT WATER DISPOSAL.

Case Number.

4091

---

Application

Transcripts.

Small Exhibits

ETC.

dearnley-meier

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 26, 1969

EXAMINER HEARING

IN THE MATTER OF:

Application of Union Oil  
Company of California for a  
dual completion and salt water  
disposal, Lea County, New  
Mexico.

Case 4091

BEFORE: ELVIS A. UTZ, Examiner

TRANSCRIPT OF HEARING

JUL 9 1969

MR. HATCH: Case 4091, application of Union Oil Company of California for a dual completion and salt water disposal, Lea County, New Mexico.

MR. RUSSEL: John F. Russel of Roswell, New Mexico, appearing on behalf of the Applicant. I have one witness.

MR. UTZ: Are there any other appearances?

(Thereupon, Applicant's Exhibits 1 through 4 were marked for identification.)

TOM BURGER

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

DIRECT EXAMINATION

BY MR. RUSSEL:

Q Please state your name, please, the name of your employer, and the capacity in which you are employed?

A Tom Burger, Midland, Texas. Employed by Union Company of California as a District Production Engineer.

Q Have you previously qualified to give testimony before this Commission?

A No.

Q Briefly give a resume of your education and practical experience in the field?

A I graduated from Oklahoma State in 1950, went to work for the Pure Oil Company in June of 1950, worked in Texas, Louisiana, Colorado, and I have worked for Union Oil Company of California since the merger of Pure and Union in July of 1965, as a District Production Engineer.

Q What is your degree from Oklahoma State?

A In Mechanical Engineering, with a Petroleum option.

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

MR. UTZ: Yes.

Q Are you familiar with the application of Union Oil Company of California in Case 4091?

A Yes.

Q What is it that you seek?

A The Applicant seeks authority to dually complete it Elliott Federal Well No. 1 located in Unit C of Section 27, Township 11 South, Range 32 East, in Lea County, New Mexico, in such a manner as to permit the production of oil from the Field Ranch-Wolfcamp Pool, and the disposal of produced salt water into the San

Andres, Glorieta, Blinberry, Tubb and Abo formations in the open-hole interval from approximately 4458 feet to 8050 feet.

Q In connection with this application, have you prepared some exhibits?

A Yes.

Q I will refer you to Exhibit 1 and ask you what that is?

A Exhibit No. 1 is a plat showing the location of Union Oil Company Federal Elliot No. 1 located 660 feet from the south line, and 1,980 feet from the east line of Section 27, Township 11 South, Range 38 East, Lea County, New Mexico.

Q Does that show all of the wells?

A It also shows the location and producing formations of other wells located within two miles of our wells.

Q There are no wells producing from the formations into which you plan to inject or dispose of this water?

A That's correct.

Q How much water are you going to dispose of?

A Approximately 30 barrels a day.

Q I refer you to what has been marked as Exhibit

No. 2, and ask you what that is.

A Exhibit No. 2 is a diagrammatic sketch showing the various casing strings, the cemented interval and producing formations of Union Oil Company Federal Elliot No. 1. This well was drilled and completed in April of 1956. 11 3/4 inch casing set at 355 feet, and cemented to the surface with 265 sacks of cement. 8 5/8 inch casing was set at 4,458 feet, and cemented with 1,600 sacks of cement. The 5 1/2 inch casing was set at 12,083 feet, and cemented with 300 sacks of cement. Top of this cement by temperature survey at 8,050 feet.

Total depth of the well is 12,201 feet. The open-hole interval from total depth to the bottom of the 5 1/2 inch casing was not productive, and was sealed off by setting a packer in the 5 1/2 inch casing at 12,020 feet, and the placing of four sacks of cement on top of the packer.

The well was perforated at two intervals in the Wolfcamp, at 9,466 to 9,480, and 9,536 to 9,556. The lower perforations were not productive, and were isolated from the upper perforations by means of a bridge plug set at 9,498. Tubing was run into the well, run in and set at 9,395 feet. This plat or sketch also

shows the interval to be used for salt water disposal.

Water will be injected into the annulus between the 5 1/2 and 8 5/8 inch casing, which has an open-hole between the bottom of the 8 5/8 at 4,458, and the top of the 5 1/2 inch casing cemented at 8,050.

Q You said there was approximately 30 barrels of water per day to be disposed of?

A Correct.

Q Have you made an injection test to determine whether this formation will take it?

A We did make an injection test, and the well will take water on gravity without any surface pressure.

Q At what rate did the test reflect?

A In excess of two barrels a minute.

Q Now, do you plan to treat this water prior to injection to this well?

A We do, for corrosion.

Q How are you disposing of the water at the present time?

A It is being trucked to a commercial disposal.

Q How much oil is this well producing?

A Eight barrels a day.

Q Now, referring you to Exhibit No. 3, I will



ask you what that reflects?

A Exhibit No. 3 is an electric log run on Union Federal Elliott No. 1, and on which the top of the formations encountered in the well have been noted on the log.

Q Referring you to what to what has been marked as Exhibit No. 4, what is that?

A This is a chemical analysis of the water run on March 18, 1969, on water produced from the Union Federal Elliott No. 1.

Q What is the chlorides?

A Chlorides shown here are 73,000 parts per million, which would mean that the water is unfit for domestic use.

Q With production of 30 barrels of water per day, what are your trucking costs on that?

A 28 cents a barrel.

Q Of water or per barrel of oil produced?

A This is per barrel of water. On the oil produced, it amounts to a little over a dollar a barrel, per barrel of oil.

Q Because of the economic situation of this well, it is almost impossible to adopt any other means of

disposing of produced water, other than the method suggested, is that correct?

A Correct.

Q And what do you anticipate the economic life of this well?

A By disposing of the water into the annulus --

Q No, from the economics of well, how long do you anticipate the life will continue as a producing well?

A Depending on which way we haul the water, I mean dispose of the water.

Q Give it both ways, then.

A It is approximately at its economic limit, if we have to continue to truck the water at 28 cents a barrel.

Q How long do you think you will be able to dispose of the water?

A I would say we would probably produced for another year if we can reduce this disposal cost.

Q But even then it is going to be approximately one year?

A Right.

Q In your opinion, do you feel that the granting of this application would prevent waste due to the premature

abandonment of this well, and also protect correlative rights?

A Yes.

Q Were Exhibits 1 through 4 prepared by you or under your supervision and direction?

A Yes.

MR. RUSSELL: At this time, I would like to move the introduction into evidence of Applicant's Exhibits 1 through 4.

MR. UTZ: Without objection, Exhibits 1 through 4 will be entered into the record.

(Thereupon, Applicant's Exhibits 1 through 4 were admitted in evidence.)

MR. RUSSEL: I have no further questions of this witness.

#### CROSS EXAMINATION

BY MR. UTZ:

Q Mr. Burger, in your 8 5/8 by 5 1/2 inch annulus, you have plenty of room to get 30 barrels a day?

A Yes, sir.

Q Over an inch difference?

A Right. We did run this injectivity test, and

it took the water fine.

MR. UTZ: Any other questions of the witness?

You may be excused. Any statements? The case will be taken under advisement.

I N D E XWITNESSPAGE

TOM BURGER

Direct Examination by Mr. Russel

2

Cross Examination by Mr. Utz

9

EXHIBITSMARKEDADMITTED IN  
EVIDENCEApplicant's Exhibits  
1 through 4

2

9

STATE OF NEW MEXICO    )  
                                   ) SS.  
 COUNTY OF BERNALILLO )

I, SAMUEL MORTELETTE, Court Reporter 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.

*Samuel B. Mortelette*

I do hereby certify that the foregoing is  
 a correct record of the hearing held on  
 the 11th day of May, 1929, at  
 heard by me *Man. He* 4091  
*Man. He* 69.  
 New Mexico Oil Conservation Commission



# OIL CONSERVATION COMMISSION

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

GOVERNOR  
DAVID F. CARGO  
CHAIRMAN

LAND COMMISSIONER  
ALEX J. ARMIJO  
MEMBER

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

April 1, 1969

Mr. John Russell  
Attorney at Law  
Post Office Drawer 640  
Roswell, New Mexico 88201

Re: Case No. 4091  
Order No. R-3723  
Applicant:  
Union Oil Company

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.  
Secretary-Director

ALP/ir

Copy of order also sent to:

Hobbs OCC x

Artesia OCC       

Aztec OCC       

Other State Engineer Office and  
Bureau of Land Management

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. 4091  
Order No. R-3723

APPLICATION OF UNION OIL COMPANY  
OF CALIFORNIA FOR A DUAL COMPLETION  
AND 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 March 26, 1969,  
at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 1st day of April, 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, Union Oil Company of California,  
seeks authority to complete its Elliott Federal Well No. 1,  
located in Unit O of Section 27, Township 11 South, Range 38 East,  
NMPM, Field Ranch-Wolfcamp Pool, Lea County, New Mexico, as a dual  
completion to produce oil from the Field Ranch-Wolfcamp Pool  
through 2-inch tubing and to dispose of produced salt water down  
the annulus between the 5 1/2-inch production casing string and  
the 8 5/8-inch intermediate casing string into the San Andres,  
Glorieta, Blinberry, Tubb, and Abo formations in the open-hole  
interval from approximately 4458 feet to 8050 feet.

(3) That the produced salt water should be continuously  
treated prior to injection to prevent casing corrosion and coupon  
corrosion tests should be conducted continuously on said well  
and the results thereof filed quarterly with the Commission until  
further notice from the Secretary-Director of the Commission.



-2-

CASE No. 4091  
Order No. R-3723

(4) That approval of the dual completion and salt water disposal as set out above will prevent the drilling of unnecessary wells, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

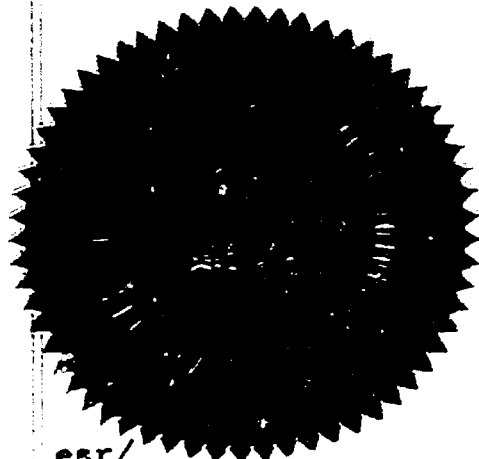
(1) That the applicant, Union Oil Company of California, is hereby authorized to complete its Elliott Federal Well No. 1, located in Unit O of Section 27, Township 11 South, Range 38 East, NMPM, Field Ranch-Wolfcamp Pool, Lea County, New Mexico, as a dual completion to produce oil from the Field Ranch-Wolfcamp Pool through 2-inch tubing and to dispose of produced salt water down the annulus between the 5 1/2-inch production casing string and the 8 5/8-inch intermediate casing string into the San Andres, Glorieta, Blinbry, Tubb, and Abo formations in the open-hole interval from approximately 4458 feet to 8050 feet;

PROVIDED HOWEVER, that the produced salt water shall be continuously treated prior to injection to prevent casing corrosion; that coupon corrosion tests shall be conducted continuously on said well and the results thereof filed quarterly with the Commission until further notice from the Secretary-Director of the Commission;

PROVIDED FURTHER, that the applicant shall submit monthly reports of its disposal operations in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.

(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

*Alex J. Armiijo*  
ALEX J. ARMIJO, Member

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

esr/

Case 4091

Heard 3-26-69

Rec. 3-28-69

Grant Union Oil Co. of Cal. permission  
to connect their Elliott Field  
#1 0-27-11-58 to a Dual SUD  
+ oil producer.

Field W.C. oil to be produced  
therefrom perfs. 9466-80 ~~there~~  
under a packer + thru 2" tubing  
S.W. Shall be injected in  
the 8 5/8 x 5 1/2 casing annulus  
into open hole from 4458 to  
8050. The fracs. are SA, ~~Atlantic~~

Graybig, Subt + Horvath.

S.W. will be treated before  
injection.



DOCKET: EXAMINER HEARING - WEDNESDAY - MARCH 26, 1969

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

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

- CASE 4078: Application of J. Gregory Merrion for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle production from the Devils Fork-Gallup Pool and an undesignated Mesaverde oil pool in the well-bore of his NCRA State Well No. 3 located in Unit L of Section 16, Township 24 North, Range 6 West, Rio Arriba County, New Mexico.
- CASE 4079: Application of Robert B. Holt for the creation of a new pool, assignment of a discovery allowable, and the promulgation of special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new Middle Pennsylvanian oil pool for his Aztec State Well No. 2 located in Unit A of Section 26, Township 13 South, Range 32 East, Lea County, New Mexico, and for the assignment of an oil discovery allowable in the amount of approximately 48,715 barrels to said well. Applicant further seeks the promulgation of special pool rules for said pool, including a provision for 160-acre proration units and the assignment of 80-acre allowables.
- CASE 3975: (Reopened)  
In the matter of Case No. 3975 being reopened pursuant to the provisions of Order No. R-3618, which order established 80-acre spacing units for the East Bluitt-San Andres Pool, Roosevelt County, New Mexico, for a period of approximately two months. All interested parties may appear and present evidence as to whether the subject area is indeed a separate common source of supply or an extension of the Bluitt-San Andres Gas Pool. Further, in the event said East Bluitt-San Andres Pool is found to be an extension of said Bluitt-San Andres Gas Pool, the Commission will consider the amendment of the Special Rules and Regulations governing the Bluitt-San Andres Gas Pool to provide for the classification of oil and gas wells, spacing and well location requirements for oil and gas wells, and an allocation formula for withdrawals from the gas cap and oil rim.
- CASE 4080: Application of Monsanto Company for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Black River Unit Area comprising 14,961.23 acres, more or less, of State, Federal and Fee lands

CASE 4080 - Continued

in Townships 25 and 26 South, Ranges 23 and 24 East, Eddy County, New Mexico.

CASE 4081: Application of Curtis Hankamer for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Brushy Draw Deep Unit Area comprising 9,672.53 acres, more or less, of State and Federal lands in Township 26 South, Ranges 29 and 30 East, Eddy County, New Mexico.

CASE 4082: Application of Sam D. Ares for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to inject produced salt water into the Yates-Seven Rivers formation in the open-hole interval from approximately 3358 to 3495 feet in his Arnott Ramsey "A" Well No. 3, located 660 feet from the North and West lines of Section 2, Township 25 South, Range 36 East, Jalmat Yates Seven Rivers Pool, Lea County, New Mexico.

CASE 4083: Application of Gulf Oil Corporation for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle production from the Penrose Skelly Pool and the Paddock Pool in the well-bore of its Eunice King Well No. 7 located in Unit G of Section 28, Township 21 South, Range 37 East, Lea County, New Mexico, with the provision that no more than one allowable will be produced from said well.

CASE 4084: Application of Olen F. Featherstone for the creation of a new pool and for special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new Wolfcamp oil pool for his Cabot State Well No. 1 located in the NE/4 NW/4 of Section 29, Township 15 South, Range 32 East, Lea County, New Mexico, and for the promulgation of special rules therefor including a provision for 160-acre spacing and proration units and the assignment of 80-acre allowables.

CASE 4085: Application of Tamarack Petroleum Corporation, Inc. for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Queen formation in the perforated interval from approximately 4948 feet to 5043 feet in its Cabot 23 State Well No. 2 located in Unit C of Section 23, Township 19 South, Range 35 East, Pearl-Queen Pool, Lea County, New Mexico.

- CASE 4086: Application of Hanson Oil Company for a dual completion and salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dually complete its CSA Federal Well No. 1 located in Unit E of Section 29, Township 26 South, Range 37 East, Scarborough Yates-Seven Rivers Pool, Lea County, New Mexico, in such a manner as to permit production of oil from the Yates formation and the disposal of produced salt water into the Seven Rivers formation through parallel strings of tubing.
- CASE 4087: Application of Solar 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 McCallister Well No. 1 located in Unit C of Section 7, Township 22 South, Range 38 East, Lea County, New Mexico, to produce oil from undesignated Drinkard and Abo oil pools through parallel strings of tubing.
- CASE 4071: (Continued from the March 19, 1969, Regular Hearing)  
Application of T. J. Sivley for a dual completion and salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dually complete his Federal Silver Well No. 4 located in the SW/4 SE/4 of Section 28, Township 20 South, Range 34 East, Lynch Yates-Seven Rivers Pool, in such a manner as to permit production of oil from the Yates-Seven Rivers formations and the disposal of produced salt water into the Lower Seven Rivers formation.
- CASE 4088: Application of Paul M. Mershon, Jr., for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Upper Pennsylvanian formation underlying Section 21, Township 22 South, Range 23 East, Eddy County, New Mexico. Said acreage to be dedicated to a well to be drilled at an unorthodox gas well location 990 feet from the North and East lines of said Section 21, and within one mile of the Indian Basin-Upper Pennsylvanian Gas Pool. Also to be considered will be the costs of drilling said well, a charge for the risk involved, a provision for the allocation of actual operating costs, and the establishment of charges for supervision of said well.
- CASE 4089: Application of Paul M. Mershon, Jr., for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an exception to the special rules and regulations governing the Indian Basin-Upper Pennsylvanian Gas Pool to permit the drilling of a well at an unorthodox gas well location 990 feet from the North and East lines of Section


-4-

Docket No. 9-69

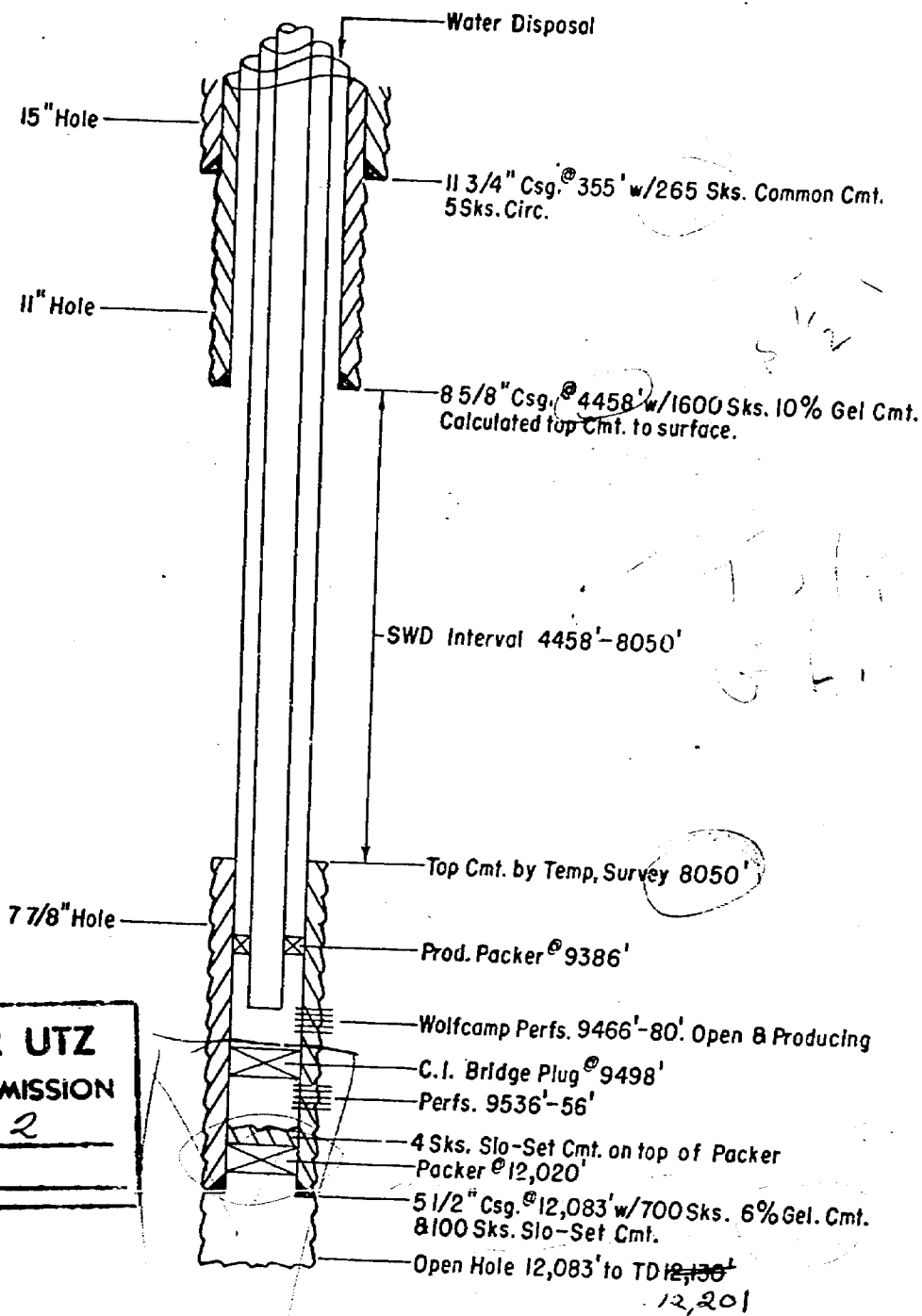
Examiner Hearing - March 26, 1969

21, Township 22 South, Range 23 East, Indian Basin-  
Upper Pennsylvanian Gas Pool, Eddy County, New Mexico.

CASE 4090: Application of Getty Oil Company for an exception to Commission Order No. R-111-A, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an exception to the potash-oil area casing and cementing rules as set forth in Commission Order No. R-111-A. Applicant proposes to re-enter and deepen approximately 3500 feet in the Yates formation four wells located in Sections 19 and 30 of Township 20 South, Range 34 East, Lea County, New Mexico, in such a manner as to eliminate the necessity of running the salt protection string provided the production string would be cemented to the surface.

 CASE 4091: Application of Union Oil Company of California for a dual completion and salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dually complete its Elliott Federal Well No. 1 located in Unit O of Section 27, Township 11 South, Range 38 East, Lea County, New Mexico, in such a manner as to permit the production of oil from the Field Ranch-Wolfcamp Pool and the disposal of produced salt water into the San Andres, Glorieta, Blinberry, Tubb and Abo formations in the open-hole interval from approximately 4458 feet to 8050 feet.

**DIAGRAMMATIC SKETCH  
PROPOSED COMPLETION FOR SWD SERVICE  
Union Oil Company of California  
Federal-Elliott No. 1  
FIELD RANCH (WOLFCAMP) FIELD  
LEA COUNTY, NEW MEX.**



**BEFORE EXAMINER UTZ**  
**OIL CONSERVATION COMMISSION**  
*Open* EXHIBIT NO. 2  
CASE NO. 4091

1342-A

HALLIBURTON DIVISION LABORATORY  
HALLIBURTON COMPANY  
MIDLAND DIVISION

## LABORATORY WATER ANALYSIS

No. W1-122-69

Date March 13, 1969

To Union Oil Company of California

210 East Avenue "C"

Lovington, New Mexico 88260

This report is the property of Halliburton Company and neither it nor any part thereof nor a copy thereof is to be published or disclosed without first securing the express written approval of laboratory management; it may however, be used in the course of regular business operations by any person or concern and employees thereof receiving such report from Halliburton Company.

Submitted by \_\_\_\_\_ Date Rec. 3-10-69

Well No. Ellittt Fed #1 Depth 9500 Formation Wolfcamp

County \_\_\_\_\_ Lea \_\_\_\_\_ Field Field Ranch Source \_\_\_\_\_

Resistivity .126 @ 44 F

Specific Gravity 1.087

pH 5.7

Calcium (Ca) 8,400 \*MPL

Magnesium (Mg) 1,550

Chlorides (Cl) 73,000

Sulfates (SO<sub>4</sub>) 780Bicarbonates (HCO<sub>3</sub>) 185

Soluble Iron (Fe) 40

Remarks:

BEFORE EXAMINER UTZ  
OIL CONSERVATION COMMISSION  
*Alphon* EXHIBIT NO. 4  
CASE NO. 4091

\*Milligrams per liter

Respectfully submitted,

Analyst: Frank Whitfield  
cc:

HALLIBURTON COMPANY

By

Frank Whitfield  
DIVISION CHEMIST

## NOTICE

This report is limited to the described sample tested. Any user of this report agrees that Halliburton shall not be liable for any loss or damage, whether it be to act or omission, resulting from such report or its use.



LAW OFFICES OF  
JOHN F. RUSSELL  
412 HINKLE BUILDING  
P.O. DRAWER 640  
ROSWELL, NEW MEXICO 88201

TELEPHONE 622-4641  
AREA CODE 505

March 17, 1969

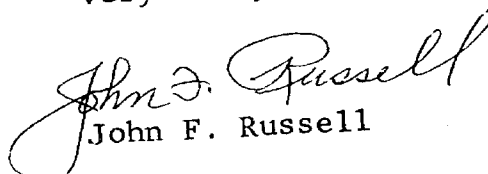
Mr. A. L. Porter  
Secretary-Director  
New Mexico Oil Conservation Commission  
State Land Office  
Santa Fe, New Mexico 87501

Re: Application of Union Oil  
Company of California -  
Examiner Case No. 4091

Dear Mr. Porter:

In reference to the above numbered case, I enclose herewith,  
in triplicate, the exhibits referred to in the application filed  
with your office.

Very truly yours,

  
John F. Russell

JFR/jcg

LAW OFFICES OF  
JOHN F. RUSSELL  
412 HINKLE BUILDING  
P. O. DRAWER 640  
ROSWELL, NEW MEXICO 88201

TELEPHONE 622-4641  
AREA CODE 505

March 10, 1969

*Case 4091*

Mr. A. L. Porter  
Secretary - Director  
New Mexico Oil Conservation Commission  
State Land Building  
Santa Fe, New Mexico 87501

Dear Mr. Porter:

I transmit herewith in triplicate the application of Union Oil Company of California for the dual completion of its Elliot Federal Well No. 1.

The exhibits should be prepared in the near future, and upon receipt I shall promptly forward copies to you.

Very truly yours,

*John F. Russell*  
John F. Russell

JFR/jcg

Enclosures

cc: Mr. C. W. Cary  
Roswell, New Mexico

Mr. G. W. Coombes  
Midland, Texas

DOCKETED

Date 3-14-69

BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF )  
UNION OIL COMPANY OF CALIFORNIA TO )  
DUALY COMPLETE ITS ELLIOT FEDERAL WELL )  
No. 1, LOCATED 660 FEET FROM THE SOUTH )  
LINE, AND 1980 FEET FROM THE EAST LINE )  
OF SECTION 27, TOWNSHIP 11S, RANGE 38E, )  
LEA COUNTY, NEW MEXICO, TO PRODUCE OIL )  
FROM THE FIELD RANCH WOLFCAMP POOL AND )  
TO DISPOSE OF WATER PRODUCED FROM SAID )  
WELL INTO THE SAN ANDRES, GLORIETA, )  
CLEARFORK, TUBB AND ABO FORMATIONS IN )  
THE OPEN HOLE INTERVAL FROM APPROXIMATELY )  
4458 FEET TO 8050 FEET. )

No. 4091

APPLICATION

COMES NOW Union Oil Company of California, by its attorney,  
John F. Russell, and states:

1. Applicant proposes to dually complete its Elliot Federal  
Well No. 1 located 660 feet from the South line and 1980 feet  
from the East line of Section 27, Township 11S, Range 38E, Lea  
County, New Mexico, as follows:

a. To produce oil from the Field Ranch Wolfcamp Pool  
through two-inch tubing, and

b. To dispose of salt water produced from said well,  
down the annulus between the five and one-half inch production  
string and the eight and five-eighths intermediate casing string,  
into the San Andres, Glorieta, Clearfork, Tubb and Abo formations,  
in the open hole interval from approximately 4458 feet to 8050  
feet.

2. The water being disposed of is not suitable for domestic or agricultural purposes, and the disposal of said water as proposed will not impair production of oil, gas or fresh water from the reservoir, nor will it impair correlative rights.

3. Applicant attaches hereto as Exhibit "1" a plat showing the location of the proposed well and all wells within two miles of said proposed well and the names of the lessees.

4. Applicant attaches hereto as Exhibit "2" a diagramatic sketch showing the manner of dually completing the well.

5. Applicant attaches hereto as Exhibit "3" the well log covering pertinent intervals of its Elliot Federal Well No. 1.

WHEREFORE, Applicant requests that the Commission set this matter down for hearing before its Examiner; publish notice as required by law, and after hearing, issue its order authorizing the dual completion of its well as aforesaid.

Respectfully submitted,

UNION OIL COMPANY OF CALIFORNIA

By John F. Russell  
John F. Russell  
P.O. Drawer 640  
Roswell, New Mexico 88201

DATED:

March 7, 1969

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. 4091

Order No. R- 3723

APPLICATION OF UNION OIL COMPANY  
OF CALIFORNIA FOR A DUAL COMPLETION  
AND 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 March 26, 1969,  
at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this \_\_\_\_\_ day of \_\_\_\_\_, 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, Union Oil Company of California,  
seeks authority to complete its Elliott Federal Well No. 1,  
located in Unit O of Section 27, Township 11 South, Range 38 East,  
NMPM, Field Ranch-Wolfcamp Pool, Lea County, New Mexico, as a dual  
completion to produce oil from the Field Ranch-Wolfcamp Pool  
through 2-inch tubing and to dispose of produced salt water  
down the annulus between the 5 1/2-inch production casing string  
and the 8 5/8-inch intermediate casing string into the San  
Andres, Glorieta, Blinberry, Tubb, and Abo formations in the open-  
hole interval from approximately 4458 feet to 8050 feet.

(3) That the produced salt water should be continuously treated prior to injection to prevent casing corrosion and coupon corrosion tests should be conducted continuously on said well and the results thereof filed quarterly with the Commission until further notice from the Secretary-Director of the Commission.

(4) That approval of the dual completion and salt water disposal as set out above will prevent the drilling of unnecessary wells, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Union Oil Company of California, is hereby authorized to complete its Elliott Federal Well No. 1, located in Unit O of Section 27, Township 11 South, Range 38 East, NMPM, Field Ranch-Wolfcamp Pool, Lea County, New Mexico, as a dual completion to produce oil from the Field Ranch-Wolfcamp Pool through 2-inch tubing and to dispose of produced salt water down the annulus between the 5½-inch production casing string and the 8 5/8-inch intermediate casing string into the San Andres, Glorieta, Blinberry, Tubb, and Abo formations in the open-hole interval from approximately 4458 feet to 8050 feet;

PROVIDED HOWEVER, that the produced salt water shall be continuously treated prior to injection to prevent casing corrosion; that coupon corrosion tests shall be conducted continuously on said well and the results thereof filed quarterly with the Commission until further notice from the Secretary-Director of the Commission;

PROVIDED FURTHER, that the applicant shall submit monthly reports of its disposal operations in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.

(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.

9-1-1935

Case 4091

Union Pacific

Elliot Field

630' 150' 1935' 112'

27- 112- 391

Field Ranch half section 10, T. 10 N., R. 10 E., Co.

Section 10, T. 10 N., R. 10 E., Co.

prod oil & gas, water & rock

disproportional S.W. corner bet

1/4" x 1/4" sig

SA

Below

CL/K. Blum

T.B.

Also

approx. 1/4" x 1/4" sig

about 40 8000'