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*8/14/57*  
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# SIGNAL OIL AND GAS COMPANY

*SWD-V*  
*Exec 8/14/57*

GENERAL OFFICES, 811 WEST SEVENTH STREET, LOS ANGELES 17, CALIFORNIA

MID-CONTINENT DIVISION OFFICE  
1010 FORT WORTH NATIONAL BANK BLDG.  
FORT WORTH 2, TEXAS

August 1, 1957

New Mexico Oil Conservation Commission  
Box 871  
Santa Fe, New Mexico

Gentlemen:

Signal Oil and Gas Company hereby submits application for permit to dispose of produced brines into its Gulf-State #2 well (dry hole).

Please find attached:

1. Application to Dispose of Salt Water by Injection into a Porous Formation Not Productive of Oil or Gas (3 copies)
2. Copy of registry receipt signed by State Engineer's office acknowledging receipt of copy of said application on July 1, 1957
3. Copy of signed waivers (9) from all Offset Operators
4. Copy of letter sent and registry receipt signed by surface owner, Elvis P. Caudill, indicating that he received the waiver form and copy of application on July 6, 1957
5. A plat showing the location of the proposed disposal well and other required data
6. Copy of Schlumberger electrical survey of the well

We respectfully request approval of the submitted application. If additional information is required, we will be happy to supply same upon request.

Very truly yours,

SIGNAL OIL AND GAS COMPANY

By

*N. E. Godbe*  
N. E. Godbe

Chief Division Engineer

NEG:LP

Attachments

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

APPROVED  
1957 AUG 5 PM 1:00  
TO DISPOSE OF SALT WATER BY INJECTION INTO A POROUS FORMATION  
NOT PRODUCTIVE OF OIL OR GAS

POOL Name SOUTH DENTON (DEVONIAN) County LEA

Operator SIGNAL OIL AND GAS COMPANY

Address 1010 Fort Worth National Bank Bldg. , Fort Worth, Texas

Lease Name GULF-STATE Well No. 2

Depth to top of injection zone 10,790'

Depth to base of injection zone 10,800'

Size of surface casing 13-3/8"

Length of surface casing 350'

Number of sacks of cement used on surface casing 350

Size of long string 7-5/8"

Length of long string 11,189'

Number of sacks of cement used on long string 1025 light weight and 100 neat

Size of tubing 2-3/8" Length of tubing 10,800'

Depth of tubing packer setting 10,770'

Name and model of packer Guiberson L-8

Is injection through tubing or long string or annulus? Thru tubing

Is injection through perforations or open hole? Hole will be perforated 10790' - 10800'

Was the well drilled for salt water disposal purposes? no

List perforated intervals and number of sacks of cement used on any squeeze cementing operations no perforations

What is depth of the shallowest zone productive of oil or gas in this Pool 13,033' (Devonian)

What is depth of the deepest zone containing fresh water in this Pool? 235'

Are there any other salt water disposal wells in this Pool using this same zone for injection purposes? no If so, list operator, lease and well number

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

What is the approximate volume of salt water to be injected daily? Start at 1500 bbls. and may increase to 10,000

Will system be open or closed type? closed

Will injection be by gravity or pump pressure? gravity ( or pump, if necessary)

If by pump pressure, give approximate number of pounds per square inch -

Will it be necessary for water to be filtered or chemically treated? no

Is this well so cased and completed that water can enter no other formation than the above setout injection zone? yes

1. Attach a complete full-scale electrical log of this well (one Copy to OCC only).
2. List names and addresses of all offset operators and surface owners.

<u>Cities Service Oil Co.- Hobbs, New Mexico</u>	<u>Shell Oil Company, Hobbs, New Mexico</u>
<u>G. M. Cone, Lovington, New Mexico</u>	<u>Sinclair Oil &amp; Gas Co., Midland, Texas</u>
<u>Gulf Oil Corporation- Roswell, New Mexico</u>	<u>The Texas Co., Midland, Texas</u>
<u>Honolulu Oil Corporation, Midland, Texas</u>	<u>Warren Petroleum Co., Midland, Texas</u>
<u>Magnolia Petroleum Co., Hobbs, New Mexico</u>	

Mr. Elvis P. Caudill  
East Star Route, Lovington, New Mex.

3. Have notices of this application been sent by registered mail or given to all offset operators, surface owners and to the N. M. State Engineer? yes
4. Attach waivers from all offset operators.
5. Attach waivers from surface owners of land on which well is located or a letter from company making application to the surface owner explaining said application and requesting waiver.
6. No application will be processed until Item 1 has been attached to the application. Should all necessary waivers not accompany application, the Commission shall hold such application for a period of fifteen (15) days from date of receipt in the Santa Fe Office. If, after said fifteen (15) day period, no protest or request for hearing is received in the Santa Fe Office, the application will then be processed.

SIGNAL OIL AND GAS COMPANY  
Operator

N. E. Godbe  
 By N. E. Godbe  
 Chief Division Engineer

THE STATE OF Texas

COUNTY OF Tarrant

BEFORE ME, The undersigned authority, on this day personally appeared N. E. Godbe known to me to be the person whose name is subscribed to the above instrument, who being by me duly sworn on oath states that he is duly authorized to make the above report and that he has knowledge of the facts stated therein and that said report is true and correct.

SUBSCRIBED AND SWORN TO before me, this the 27th day of June 19 57.

Mary C. Russell  
 Notary Public in and for Tarrant  
 County, Texas

# **SIGNAL OIL AND GAS COMPANY**

GENERAL OFFICES, 811 WEST SEVENTH STREET, LOS ANGELES 17, CALIFORNIA

CONTINENT DIVISION OFFICE

1010 FORT WORTH NATIONAL BANK BLDG.

FORT WORTH 2, TEXAS

June 27, 1957

Cities Service Oil Company  
Box 97, Hobbs, New Mexico

Mr. G. M. Cone  
Box 597, Lovington, New Mexico

Gulf Oil Corporation  
Box 962, Roswell, New Mexico

Honolulu Oil Corporation  
Box 1391, Midland, Texas

Magnolia Petroleum Company  
Box 2406, Hobbs, New Mexico

Shell Oil Company  
Box 1957, Hobbs, New Mexico

Sinclair Oil and Gas Company  
Box 1470, Midland, Texas

The Texas Company  
Box 1270, Midland, Texas

Warren Petroleum Company  
Box 1538, Midland, Texas

Mr. Elvis P. Caudill ✓  
East Star Route, Lovington, New Mexico

Gentlemen:

Signal Oil and Gas Company plans to dispose of produced salt water by injection into its Gulf-State #2 well in SW $\frac{1}{4}$  NW $\frac{1}{4}$  Section 4, Township 16 South, Range 38 East, South Denton field, Lea County, New Mexico. This well is at present an abandoned dry hole at total depth of 13,346 feet.

You will find all pertinent data as to the method of disposal on the attached copy of application to the State of New Mexico Oil Conservation Commission.

If you have no objection to the disposal as described in the application, please execute the attached waiver and return the original and one copy to the writer at our Fort Worth address at your earliest convenience.

Very truly yours,

SIGNAL OIL AND GAS COMPANY

By \_\_\_\_\_  
N. E. Godbe  
Chief Division Engineer

NEG:LP

New Mexico Oil Conservation Commission  
Box 371  
Santa Fe, New Mexico

Gentlemen:

We have been advised that Signal Oil and Gas Company has applied for permission to dispose of salt water by injection into its Gulf-State #2 well which is now a temporarily abandoned dry. hole. The well is located in South Denton field in SW $\frac{1}{4}$  NW $\frac{1}{4}$  Section 4, Township 16 South, Range 38 East, Lea County.

As offset operator, we waive right of protest and hereby approve the use of this well by Signal for salt water disposal purposes.

Very truly yours,

\_\_\_\_\_

By \_\_\_\_\_

DATE \_\_\_\_\_

3164

REGISTERED NO.

Value \$ \_\_\_\_\_  
For \$ \_\_\_\_\_  
Subject \$ \_\_\_\_\_  
Postage \$ \_\_\_\_\_

From \_\_\_\_\_  
To \_\_\_\_\_  
PDS Form 2000  
Sept. 1944

INSTRUCTIONS TO DELIVERER

RECEIVED

Received from the Postmaster the Registered, \_\_\_\_\_  
\_\_\_\_\_ the number of which appears on the face of the \_\_\_\_\_  
\_\_\_\_\_

SIGNATURE OF DELIVERER (Agent should sign)

JUL 1 1944

ILLEGIBLE

RECEIVED FROM THE POSTMASTER THE REGISTERED, \_\_\_\_\_

THE NUMBER OF WHICH APPEARS ON THE FACE OF THE \_\_\_\_\_  
\_\_\_\_\_

REGISTERED NO.

POSTMARK

Value \$ 2.00 Spec. del'y fee \$

Fee \$ 40 Ret. receipt fee \$

Surcharge \$ Post. del'y fee \$

Postage \$ ☐ Airmail

From

To

FD-1 Form 3504  
Rev. 1-15-57

INSTRUCTIONS TO DELIVERING EMPLOYEE

- ☐ DELIVER ONLY TO ADDRESSEE (For additional)  
☐ SHOW ADDRESSEE HOW DELIVERED IN ITEM 1 BELOW (For additional)

RECEIPT

Received from the Postmaster the Registered, Certified, or Insured Article, the number of which appears on the face of this return receipt.

1 SIGNATURE OR NAME OF ADDRESSEE

X Elvira P. Candell

2 SIGNATURE OF ADDRESSEE'S AGENT (Agent should enter addressee's name in item 1 above)

3 DELIVERY DATE

Jul. 6 - 1957

**ILLEGIBLE**

March 11, 1958

Oil Conservation Commission  
State Capitol  
Santa Fe, New Mexico

Attn. Mr. Daniel Nutter

Dear Mr. Nutter:

Reference is made to our telephone conversation of this date  
pertaining to salt water disposal applications 1, 2, 2a, 4, 5,  
9 and 11.

This office has no objection to the disposal of salt water in  
the manner proposed as listed below:

SWD-1  
Pool-Crossroads  
Operator-Magnolia Petroleum Company  
Lease name-Santa Fe Pacific  
Well No.-C-2  
Injection zone-4706 feet to 5616 feet

SWD-2a  
Pool-Baum-Wolfcamp  
Operator-Champlin Oil & Refining Co.  
Lease name-Featherstone State "A"  
Well No.-1  
Injection zone-1560 feet to 1620 feet

SWD-4  
Pool-South Denton  
Operator-Signal Oil & Gas Company  
Lease name-Gulf State  
Well No.-2  
Injection zone-10,790 feet to 10,800 feet

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**SWD-5**  
**Pool-Denton**  
**Operator-The Atlantic Refining Company**  
**Lease name-Dickinson "A-13"**  
**Well No.-1**  
**Injection zone-9,950 feet to 10,100 feet**

**SWD-9**  
**Pool-Echol**  
**Operator-Shell Oil Company**  
**Lease name-State A**  
**Well No.-1**  
**Injection zone-4,249 feet to 6,000 feet**

**SWD-11**  
**Pool-Caudill**  
**Operator-Shell Oil Company**  
**Lease name-AultHeirs**  
**Well No. -1**  
**Injection zone-4,873 feet to 6,500 feet**

**This office objects to any and all changes that may be proposed in connection with these applications.**

**Yours truly,**

**S. E. Reynolds**  
**State Engineer**

**FEI/ma**  
**cc-F. H. Hennighausen**

**By:**  
**Frank E. Irby**  
**Chief**  
**Water Rights Division**

C  
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P  
Y

NEW MEXICO OIL CONSERVATION COMMISSION  
Box 871  
Santa Fe, New Mexico

Gentlemen:

We have been advised that Signal Oil and Gas Company has applied for permission to dispose of salt water by injection into its Gulf-State No. 2 well which is now a temporarily abandoned dry hole. The well is located in South Denton field in SW $\frac{1}{4}$  NW $\frac{1}{4}$  Section 4, Township 16 South, Range 38 East, Lea County.

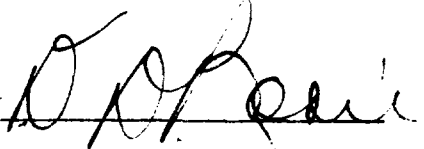
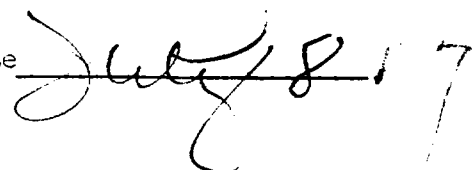
As offset operator, we waive right of protect and hereby approve the use of this well by Signal for salt water disposal purposes.

Very truly yours,

CITIES SERVICE OIL COMPANY

By

Date


NEW MEXICO OIL CONSERVATION COMMISSION  
Box 871  
Santa Fe, New Mexico

Gentlemen:

We have been advised that Signal Oil and Gas Company has applied for permission to dispose of salt water by injection into its Gulf-State No. 2 well which is now a temporarily abandoned dry hole. This well is located in South Denton field in SW $\frac{1}{4}$  NW $\frac{1}{4}$  Section 4, Township 16 South, Range 38 East, Lea County.

As offset operator, we waive right of protect and hereby approve the use of this well by Signal for salt water disposal purposes.

Yours very truly,

  
G. M. Cone

Date July 3, 1957

NEW MEXICO OIL CONSERVATION COMMISSION  
Box 871  
Santa Fe, New Mexico


Gentlemen:

We have been advised that Signal Oil and Gas Company has applied for permission to dispose of salt water by injection into its Gulf-State No. 2 well which is now a temporarily abandoned dry hole. The well is located in South Denton field in SW $\frac{1}{4}$  NW $\frac{1}{4}$  Section 4, Township 16 South, Range 38 East, Lea County.

As offset operator, we waive right of protect and hereby approve the use of this well by Signal for salt water disposal purposes.

Very truly yours,

GULF OIL CORPORATION

By   
E. HOSFORD  
District Manager

Date 7/11/57

# **HONOLULU OIL CORPORATION**

P. O. DRAWER 1391  
**MIDLAND, TEXAS**

July 3, 1957

New Mexico Oil Conservation Commission  
Box 871  
Santa Fe, New Mexico

Gentlemen:

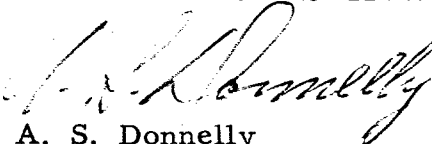
We have been advised that Signal Oil and Gas Company has applied for permission to dispose of salt water by injection into its Gulf-State No. 2 well which is now a temporarily abandoned dry hole. The well is located in South Denton Field in SW-1/4 NW-1/4 Section 4, Township 16 South, Range 38 East, Lea County.

As an offset operator, Honolulu Oil Corporation waives notice of hearing and hereby approves the use of this well by Signal for salt water disposal purposes.

Very truly yours,

HONOLULU OIL CORPORATION

By:



A. S. Donnelly  
Vice President

ASD:led

NEW MEXICO OIL CONSERVATION COMMISSION  
Box 871  
Santa Fe, New Mexico

Gentlemen:

We have been advised that Signal Oil and Gas Company has applied for permission to dispose of salt water by injection into its Gulf-State No. 2 well which is now a temporarily abandoned dry hole. The well is located in South Denton field in SW $\frac{1}{4}$  NW $\frac{1}{4}$  Section 4, Township 16 South, Range 38 East, Lea County.

As offset operator, we waive right of protect and hereby approve the use of this well by Signal for salt water disposal purposes.

Yours very truly,

MAGNOLIA PETROLEUM COMPANY

By *M. C. Bradley*

Date *7/16/57*

NEW MEXICO OIL CONSERVATION COMMISSION  
Box 871  
Santa Fe, New Mexico

Gentlemen:

We have been advised that Signal Oil and Gas Company has applied for permission to dispose of salt water by injection into its Gulf-State No. 2 well which is now a temporarily abandoned dry hole. The well is located in South Denton field in SW $\frac{1}{4}$  NW $\frac{1}{4}$  Section 4, Township 16 South, Range 38 East, Lea County.

As offset operator, we waive right of protect and hereby approve the use of this well by Signal for salt water disposal purposes.

Very truly yours,

SHELL OIL COMPANY

By W. E. Oney

Date 7/9/57

NEW MEXICO OIL CONSERVATION COMMISSION  
Box 871  
Santa Fe, New Mexico

Gentlemen:


We have been advised that Signal Oil and Gas Company has applied for permission to dispose of salt water by injection into its Gulf-State No. 2 well which is now a temporarily abandoned dry hole. The well is located in South Denton field in SW $\frac{1}{4}$  NW $\frac{1}{4}$  Section 4, Township 16 South, Range 38 East, Lea County.

As offset operator, we waive right of protect and hereby approve the use of this well by Signal for salt water disposal purposes.

Very truly yours,

THE TEXAS COMPANY

By

  
O. F. Sebesta

Assistant Division Manager

Date July 8, 1957



# SINCLAIR OIL & GAS COMPANY

PETROLEUM LIFE BUILDING

**MIDLAND, TEXAS**

July 8, 1957

FLOYD BRETT  
VICE-PRESIDENT & DIVISION MANAGER

H. DEFENBAUGH  
DIVISION PRODUCTION SUPT.

LOREN WARE  
ASSISTANT DIVISION MANAGER

F. C. ROGERS  
DIVISION GAS & GAS PRODUCTS SUPT.

New Mexico Oil Conservation Commission  
P. O. Box 871  
Santa Fe, New Mexico

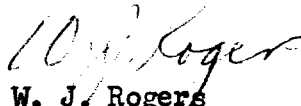
Attention: Mr. A. L. Porter, Jr.

Gentlemen:

We have been advised by Signal Oil and Gas Company that they have applied for permission to dispose of salt water by injection into their Gulf-State Well #2 which is a dry hole located in the SW/4 NW/4 of Section 4-16S-38E, South Denton Field, Lea County, New Mexico. We understand that Signal intends to inject from 1500 up to a maximum of 10,000 barrels of salt water a day into the Pennsylvanian formation in the interval 10,790 to 10,800 feet.

Sinclair Oil & Gas Company has no objection to this application and hereby waives our right to notice of hearing on same.

Yours very truly,

  
W. J. Rogers  
Division Engineer

WJR:FMA:mk

Orig. & 1 cc: Signal Oil and Gas Co.  
1010 Ft. Worth Nat'l Bank Bldg.  
Ft. Worth, Texas

# Warren Petroleum Corporation

P. O. Box 1589

Tulsa 2, Oklahoma

July 8, 1957

New Mexico Oil Conservation Commission  
Box 871  
Santa Fe, New Mexico

Gentlemen:

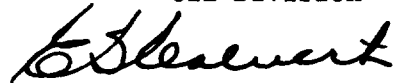
We have been advised that Signal Oil and Gas Company has applied for permission to dispose of salt water by injection into its Gulf-State No. 2 well which is now a temporarily abandoned dry hole. The well is located in South Denton field in SW $\frac{1}{4}$  NW $\frac{1}{4}$  Section 4, Township 16 South, Range 38 East, Lea County.

As offset operator, we waive right of protest and hereby approve the use of this well by Signal for salt water disposal purposes.

Very truly yours,

WARREN PETROLEUM CORPORATION,  
Oil Division

By



E. S. CALVERT

Natural Gasoline • Natural Gas

Crude Oil • Propane • Butane • Hexane • Heptane • Iso-Butane • Iso-Pentane

LARGE FORMAT  
EXHIBIT HAS  
BEEN REMOVED  
AND IS LOCATED  
IN THE NEXT FILE