Jones, William V., EMNRD

From:

james campanella [judahoil@yahoo.com]

Sent: To: Tuesday, July 27, 2010 2:24 PM Jones, William V., EMNRD

Subject:

Re: Disposal application on behalf of Judah Oil LLC: Tecolote State #1 30-015-27346 Bell

and Cherry Canyon Disposal intervals

Will,

I am working on your questions concerning this SWD App. In question "E" there is a pinchout in the lower Delaware from the proposed Tecolote SWD to the Big Eddy #80 (located in Sec 3, T-21-S, R-28-E). The Bigg Eddy #80 is the referenced P/A well plugged by BOPCO that is in the 1/2 mile area of review.

We are putting together a cross-section covering these wells for your convience. We should have it completed by Friday and will send you all the information you requested.

Please give me a call if you have any further questions.

Thank you, Blaise

James B. Campanella Judah Oil, LLC PO Box 568 Artesia, NM 88211 575-746-1280 575-746-1290 (fax)

--- On Wed, 6/30/10, Jones, William V., EMNRD < William. V. Jones@state.nm.us > wrote:

From: Jones, William V., EMNRD < William. V. Jones@state.nm.us>

Subject: Disposal application on behalf of Judah Oil LLC: Tecolote State #1 30-015-27346 Bell and

Cherry Canyon Disposal intervals

To: <u>billy@pwllc.net</u>, "Blaise Campanella" < <u>judahoil@yahoo.com</u>>

Cc: "Ezeanyim, Richard, EMNRD" < richard.ezeanyim@state.nm.us>, "Dade, Randy, EMNRD"

< Randy. Dade@state.nm.us >, "Reeves, Jacqueta, EMNRD" < Jacqueta. Reeves@state.nm.us >, "Gray,

Darold, EMNRD" < Darold. Gray@state.nm.us>

Date: Wednesday, June 30, 2010, 3:06 PM

Hello Bill:

Concerning this application, some of the usual questions:

a. Please plan on plugging back within the 5-1/2 inch pipe to within 200 feet of the bottom of the (disposal interval 3530 to 4916) – you might consider adding more cement on top of the planned 5650 foot CIBP to reach

5100 feet.

- b. The previous application states the 5-1/2 inch casing has numerous holes in it above the calculated cement top and the intention was to pull the old pipe and install new pipe and cement it in. The current application says the cement top is calculated at 4589 and the casing will be squeezed from 4150 up to a level above the intermediate shoe. Why did the plans get changed from last year to this year?
- c. How did you determine which is the actual surface owner? The ONGARD system shows the BLM as the surface owner, your 2009 application for this well showed Joe Erwin Gant (and he protested), the latest application shows Southwest Petroleum Land Service.
- d. BEPCO is now BOPCO, please let us know if the address and contacts are the same or if not, please send BOPCO a notice. BEPCO opposed the use of this well for disposal in 2009 did you or Blaise talk to BOPCO before the latest application or work something out?
- e. The offsetting plugged well has the top and bottom of the entire Delaware isolated but not the interval you plan on disposing into. The subject well apparently watered out or at least was a high water producer in the Delaware (with perfs below your proposed injection interval). Is the subject well on top of any Delaware structure or is the offsetting plugged well actually higher on structure?
- f. Is there any possibility of production from the proposed disposal interval? How will you know? Do you have a mudlog or log analysis or do you plan to swab test?
- g. The application and the advertisement specifies this will be used for lease disposal would you please list which lease this is and which producing wells will be sending water to this well?

William V Jones, P.E.

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