

Case 1973

LAW OFFICES OF
CAMPBELL & RUSSELL
J. P. WHITE BUILDING
ROSWELL, NEW MEXICO

JACK M. CAMPBELL
JOHN F. RUSSELL

TELEPHONES
MAIN 2-4641
MAIN 2-4642

May 3, 1960

Mr. Daniel S. Nutter
Chief Engineer
Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

RE: Resler Yates State
384, 385 and 386 in
Artesia Waterflood #2

Dear Mr. Nutter:

Reference is made to Mr. T. A. Ford's letter to you of April 21 and your reply of April 26 in connection with the captioned well.

Please consider Mr. Ford's letter of April 21 as an application for hearing on the unorthodox location of well #384 as described in that letter. The Commission is requested to set this matter down for hearing before an examiner at its earliest convenience.

For your information, the Graridge Corporation intends to drill wells #385 and #386 as indicated on the plat attached to their letter of April 21 as twin wells to producing wells #43 and #47. Inasmuch as wells #385 and #386 are orthodox locations, we assume they may be drilled as injection wells under the circumstances without hearing. If this is not the case, please include wells #385 and #386 in your notice of hearing.

Very truly yours,

Jack M. Campbell

JMC:np

cc: Mr. T. A. Ford
Graridge Corporation
P. O. Box 752
Breckenridge, Texas

Western Yates Company
Box 427
Artesia, New Mexico

*wells are non std
because less than
660' to other wells
in some pool*

Western Development Company of Delaware

OFFICE OCC

1960 JUN 2 PM 1:12

SENA PLAZA, SANTA FE, NEW MEXICO

TELEPHONE YUca 2-5568

P. O. Box 427

Artesia, New Mexico

May 31, 1960

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

Re: Case No. 1973

Gentlemen:

Reference is made to the Application of Graridge Corporation for approval to drill three water injection wells as contained in their Application in the above captioned case.

The three wells which Graridge desires to drill, well No. 384, 385 and 386, are twin wells to our wells No. 27, 47 and 43, respectively. In the case of well No. 27 the present condition of this well is such that no work will have to be done on the well in order to protect the present pay zone. In the case of wells No. 43 and 47, it will be necessary for remedial work to be performed prior to the injection of water in wells No. 386 and 385.

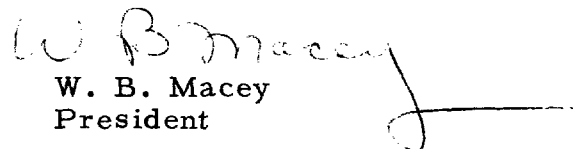
Under the terms of our Operating Agreement with Graridge it is their responsibility to see that all existing pay zones in our wells are adequately protected from damage by any water encroachment or channelling. It is contemplated that as soon as wells No. 385 and 386 are drilled we will undertake the necessary remedial work at Graridge's expense to adequately protect our present producing zones in wells No. 43 and 47. The exact details of this work will be furnished to the Commission and approval obtained prior to the commencement of operations. We feel that it will be to our advantage to drill and log the injection wells prior to commencing remedial work.

We, therefore, have no objection to the approval of Graridge's Application in this case.

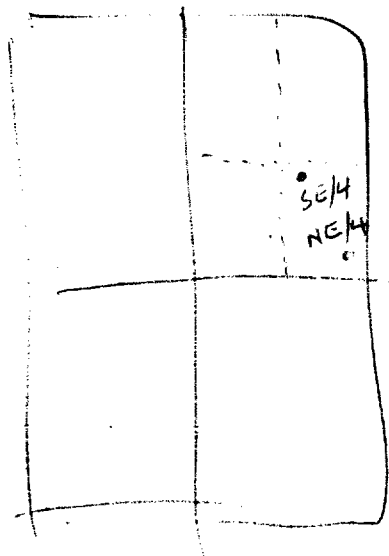
Yours very truly,

WESTERN DEVELOPMENT COMPANY
of Delaware

W. B. Macey
President



WBM:fc



OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

Case 1973

San

April 26, 1960

Graridge Corporation
P. O. Box 752
Breckenridge, Texas

Attention: Mr. T. A. Ford

Gentlemen:

Reference is made to your letter of April 21, 1960, inquiring as to whether a hearing would be necessary to authorize the unorthodox location of Well No. RYS 384 in your Artesia Water Flood No. II.

While it seems that a hearing on this should not be necessary, this is one of those situations where there appears to be no alternative but to have a hearing inasmuch as no administrative procedure is provided by our rules.

Please advise us if you wish your letter of April 21st to be considered as an application for hearing.

Very truly yours,

DANIEL S. NUTTER
Chief Engineer

DSN/og

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P
Y

Case 1973

GRARIDGE CORPORATION

IBEX BUILDING

POST OFFICE BOX 752

BRECKENRIDGE, TEXAS

April 21, 1960

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

Attention: Mr. Dan Nutter

Re: RYS 384 twin well to Western
Yates well 27 in SE/4 of NE/4
of Section 28, T 18S, R 28E,
Eddy County, New Mexico

Gentlemen:

Western Yates Company of Artesia, New Mexico owns wells 27, 43 and 47 that are completed in a deeper horizon in our Artesia Water Flood No. II in Section 28 as shown on the attached plat. We had agreed with Western Yates either to attempt to buy their wells for use in our flood or to attempt to work out an arrangement with them whereby the wells could be dually completed so both companies could use them. To that end we had the unorthodox location of wells 27 and 43 approved by you in Case 1196, Order R-966E dated July 15, 1959, since these wells fit our waterflood pattern.

Western Yates Company has recently tested their No. 27 well and found that it made approximately 11 barrels per day. Their records reveal that the well has 7" 20# J-55 casing cemented from 2618' to approximately 1600' and that the 1st Grayburg zone we are waterflooding is not perforated in this well.

Neither company wished to take any chance of losing this well by attempting to make a dual producer-water injection well out of it. We therefore propose to drill a twin well to it 80 feet north of it which we would call No. 384.

Please inform us whether it will be necessary to have a hearing on the unorthodox location of No. 384 in view of the fact that the No. 27 unorthodox location has already been approved as mentioned above. We feel sure Western Yates will give their approval of the location for No. 384 in a letter which we can send in with the application to drill No. 384.

Very truly yours,

GRARIDGE CORPORATION

T. A. Ford
T. A. Ford (et)
Manager of Production

TAF/lt

cc: New Mexico Oil Conservation Commission
Artesia, New Mexico

Western Yates Company
Artesia, New Mexico