LAW OFFICES

LOSEE AND STEWART

CARPER BUILDING - P. O. DRAWER 239 ARTESIA, NEW MEXICO

4 December 1962

Mr. A. L. Porter, Jr. Secretary-Director Oil Conservation Commission Box 871 Santa Fe, New Mexico

> Re: Case No. 2712 Application of Cima Capitan Corporation

Dear Mr. Porter:

Enclosed herewith you will please find duplicate copies of the application in the above styled case. It is my understanding that this case has been set before Mr. Daniel S. Nutter, Examiner in Santa Fe, New Mexico on December 6, 1962.

It is to be noted that the correct name of the applicant is Cima Capitan Corporation and the notice appeared as Capitan Corporation. This error was made by the writer in the telephone request for hearing on this case. I do not believe the notice is fatal and I will amend it at the time of hearing.

Very truly yours J. Losee

AJL/bk

Enclosures

cc Mrs. Marian Rhea, Supervisor Units Division State Land Office Santa Fe, New Mexico State Engineer Office Box 1079 Santa Fe, New Mexico Attn: Mr. Frank Irby

A. J. LOSEE EDWARD B. STEWART LAW OFFICES

A. J. LOSEE EDWARD B. STEWART LOSEE AND STEWART CARPER BUILDING - P. O. DRAWER 239 ARTESIA, NEW MEXICO

7 November 1962

Mr. A. L. Porter, Jr., Secretary New Mexico Oil Conservation Commission Box 871 Santa Fe, New Mexico

Artern Poal

Dear Mr. Porter:

On behalf of the Capitan Corporation, I request that you consider this letter as an application for a waterflood project by the injection of water into the Grayburg San Andres Formation through seven injection wells located within the S/2 SE/4, NW/4 SE/4, NE/4 SW/4 Section 17, Township 18 South, Range 28 East. The project area will cover this 120-acre tract and the project is to be governed by the allowable provisions of Rule 701.

I will submit a formal application for this project within the next week.

Thank you for your attention to this request.

Very truly yours,

Losee

AJL/bk

DOCKET MAILED

11-21-62

OIL CONSERVATION COMMISSION P. O. BOX 871 SANTA FE. NEW MEXICO

December 27, 1962

Mr. A. J. Losee Losee & Stewart Attorneys at Law Post Office Box 239 Artesia, New Mexico

Dear Sir:

Enclosed herewith is Commission Order No. R-2395, entered in Case No. 2712, approving the Cima Capitan Artesia Waterflood Project.

According to our calculations, when all of the authorized injection wells have been placed on active injection, the maximum allowable which this project will be eligible to receive under the provisions of Rule 701-E-3 is 308 barrels per day.

Please report any error in this calculated maximum allowable immediately, both to the Santa Fe office of the Commission and the appropriate district proration office.

In order that the allowable assigned to the project may be kept current, and in order that the operator may fully benefit from the allowable provisions of Rule 701, it behooves him to promptly notify both of the aforementioned Commission offices by letter of any change in the status of wells in the project area, i. e., when active injection commences, when additional injection or producing wells are drilled, when additional wells

OIL CONSERVATION COMMISSION P. O. BOX 871 SANTA FE, NEW MEXICO

-2-

are acquired through purchase or unitization, when wells have received a response to water injection, etc.

Your cooperation in keeping the Commission so informed as to the status of the project and the wells therein will be appreciated.

Very truly yours,

A. L. PORTER, Jr. Secretary-Director

ALP/ir

cc: Oil Conservation Commission Drawer DD Artesia, New Mexico GOVERNOR EDWIN L. MECHEM CHAIRMAN

State of New Mexico fil Conservation Commission

LAND COMMISSION ER E. S. JOHNNY WALKER MEMBER



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

P. 0. BOX 871 SANTA FE

December 26, 1962

Mr. A. J. Losee Losee & Stewart Attorneys at Law Post Office Box 239 Artesia, New Mexico Re: Case No. 2712 Order No. R-2395 Applicant: Cima Capitan Corporation

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

ir/

Carbon copy of order also sent to:

Hobbs OCC

Artesia OCC X

Aztec OCC _____

OTHER_____

GOVERNOR EDWIN L. MECHEM CHAIRMAN

State of New Mexico fil Conservation Commission



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

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P. O. BOX 871 SANTA FE

Mr. A. J. Losee Losee & Stewart Attorneys at Law Post Office Box 239 Artesia, New Mexico

Alex 26,19

Gentlemen:

LAND COMMISSIONER

E. S. JOHNNY WALKER

MEMBER

Enclosed herewith is Commission Order No. R- 2395, entered in Case No. 2712, approving the <u>Ciwa Capitau Arth</u>Sia Water Flood Project.

According to our calculations, when all of the authorized injection wells have been placed on active injection, the maximum allowable which this project will be eligible to receive under the provisions of Rule 701-E-3 is 200 barrels per day.

Please report any error in this calculated maximum allowable immediately, both to the Santa Fe office of the Commission and the appropriate District proration office.

In order that the allowable assigned to the project may be kept current, and in order that the operator may fully benefit from the allowable provisions of Rule 701, it behooves him to promptly notify both of the aforementioned Commission offices by letter of any change in the status of wells in the project area, i.e., when active injection commences, when additional injection or producing wells are drilled, when additional wells are acquired through purchase or unitization, when wells have received a response to water injection, etc.

Your cooperation in keeping the Commission so informed as to the status of the project and the wells therein will be appreciated.

Very truly yours,

CC. OCC cutoria

A. L. PORTER, Jr. Secretary-Director



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STATE OF NEW MEXICO

STATE ENGINEER OFFICE SANTA FE

SANTA

August 21, 1963

ADDRESS CORRESPONDENCE TO: STATE CAPITOL SANTA FE, N. M.

S. E. REYNOLDS

Mr. A. L. Porter, Jr. Secretary-Director Oil Conservation Commission Santa Fe, N. M.

Attn. Mr. Elvis Utz

Dear Mr. Utz:

Reference is made to Cima Capitan's letter of August 19, 1963 referring to Case 2712. After discussing this problem with Mr. Welch and discussing it with you over the phone, I have reached the conclusion that the proposal submitted will be satisfactory to this office provided Mr. Welch does one other thing which he mentioned in his conversation with me, that being that he will attempt to circulate cement through the water zone which act he considers to be improbable of completion.

Very truly yours,

S. E. Reynolds State Engineer

By: ink E. Irby

Chief Water Rights Division

FEI/ma cc-Cima Capitan, Inc.

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címa CAPITAN incorporated

(N.S.L.)

310 BOOKER BUILDING POST OFFICE DRAWER 1343

ARTESIA, NEW MEXICO August 19, 1963

AREA CODE 505 TELEPHONE 748-1177

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Mr. Elvis Utz Oil Conservation Commission State Land Office Building Santa Fe, New Mexico

Re: Case 2712

Dear Mr. Utz:

Please find enclosed 6 copies of Schematic Well Completion Exhibit. This Exhibit shows what we would like to have permission to do on completing our well No. 7 on the Adkins-Williams Lease in Section 17, Township 18 South, Range 28 East.

Yours very truly,

CIMA CAPITAN, INC.

Bу

Thomas Welch

Enc.

cc: Mr. Frank E. Irby State Engineer



STATE OF NEW MEXICO

STATE ENGINEER OFFICE

SANTA FE

November 28, 1962

ADDRESS CORRESPONDENCE TO: STATE CAPITOL SANTA FE, N. M.

Mr. Harold C. Porter Petroleum Consultant Artesia, New Mexico

Dear Mr. Porter:

Reference is made to your letter of November 26, 1962 pertaining to the application of Cima Capitan, Inc., concerning their desire to initiate a waterflood in Section 17, Township 18 South, Range 28 East in the Artesia Pool.

I don't have a copy of the application which you submitted, but I assume that it includes all of the information set forth in your letter to me. If this is the case, then I find nothing objectionable in your proposal. However, I would appreciate very much having you inform me as to whether the construction program will be the same on each of the injection wells and the approximate depth of the top of the salt in each case.

Yours very truly,

S. E. Reynolds State Engineer

By: Frank E. Irby Chief

Water Rights Division

FEI/ma

S. E. REYNOLDS STATE ENGINEER April 30, 1964

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Mr. Hal C. Porter Cima Capitan, Inc. 310 Booker Building Artesia, New Mexico

Dear Hal:

Your letter of April 29, 1964 is gratefully acknowledged and as near as I can tell this clears the situation.

Mr. Uts of the Oil Conservation Commission, who has been trying to get out an Order on the application submitted for Cima Capitan by Mr. Welch, is trying to determine the status of this application and exactly what is required before he issues the Order. It is possible that he may have some questions, the importance of which I am not aware of.

I am taking the liberty of forwarding a copy of your letter to Mr. Utz along with a copy of this letter in order that he may have the full benefit of our correspondence in this matter.

Yours truly,

S. E. Reynolds State Engineer

By:

Frank E.Irby Chief Water Rights Division

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MAIN OFFICE OCC

FEI/ma cc-Mr. Elvis Utz

cima CAPITAN incorporated

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SIG BOOKER BUILDING

ARTESIA, NEW MEXICO

AREA CODE B TELEPHONE 748-1

.M 0.0

29 April 1964

APR 30 1964

Mr. Frank E. Irby State Engineers Office Santa Fe, New Mexico

Dear Mr. Irby:

I have a copy of your letter to Mr. Utz with the Oil Conservation Commission dated 28 April 1964.

With reference to the Capitan Artesia Project, we have decided to go ahead and cement the surface casing to protect and isolate the shallow water rather than attempt to circulate the long string cement to the surface. That is the reason I have not written you as I explained in my wire of April 7, 1964.

We had hoped to be able to save the expense of cementing the surface string. However there was some doubt as to whether nr not the cement could be circulated to the surface; therefore the more expensive method was used in order to be safe and properly protect the water.

If there is any further information yes say require, we will be happy to give you whitewes we have aviiable. We have been chilecippy when semples and drive cuttings for you Roswell Office.

Peter militar y tan a

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MAIN OFFICE OCC

STATE OF NEW MEXICO 1934 APR AM AMTATE ENGINEER OFFICE

SANTA FE

S. E. REYNOLDS STATE ENGINEER

April 28, 1964

ADDRESS CORRESPONDENCE TO: STATE CAPITOL SANTA FE, N. M.

Oil Conservation Commission Santa Fe, New Mexico

Attn. Mr. Elvis Utz

Dear Mr. Utz:

My memory wasn't very accurate. Mr. Porter replied by wire linstead of by letter. The enclosed copy of his wire is in response to mine of April 6th. He still has not given me a letter stating his proposal with regard to the remaining wells which were the subject of the hearing and I cannot give an answer until I receive his letter. However, it is my understanding, from my telephone conversation with him, that he expects to proceed on the plan set forth in the original application on which the Commission has given its order.

Yours truly,

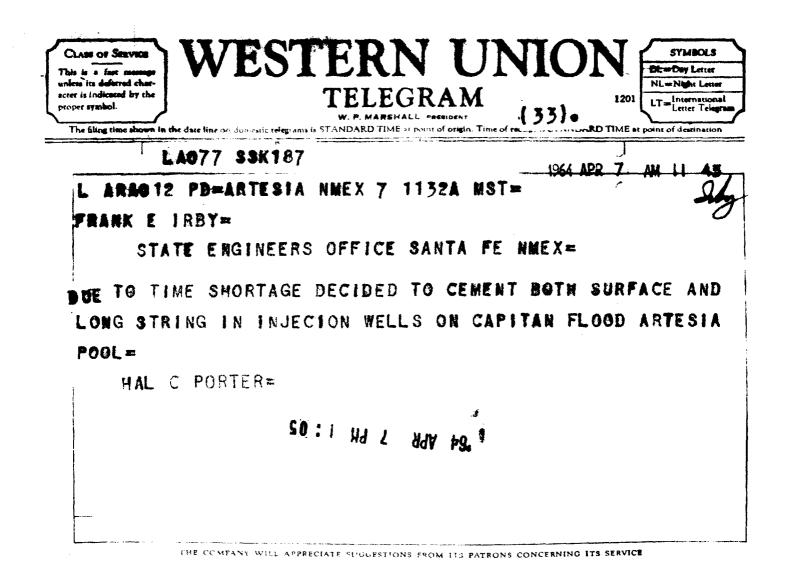
S. E. Reynolds State Engineer

By: Frank E. Irby

Chief Water Rights Division

FEI/ma cc-Hal Porter

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1964 APR 101 APR 1000

SUNFACE CEMENT HOLE BRIDGED AND FILLED WITH CEMENT TO PROTECT WATER FROM CONTAMINATION FROM ABOVE - Q.30% WATER ZONE 290'- 300' (LOST CIRCULATION ZONE - PROBABLE) 35 33 3 ذهر لا 2 STABE CEMENTING TOOL - USED TO CEMENT -10" HOLE TO 550' WATER ZONE - PROTECTING FROM CONTAMINATION BELOW 6. 10 mar 554 t. 220 Farture 4 3 - 12 290 y/2 SET AT ちちち ちゃち 411 SAN CEMENT " csg. CENENTED WITH 100000 2013-1950 8" HOLE T.D. O.R 2450 Step 1. Run 92" casing to total depth placing a 2 stage cementing tool in the string about 400 to 450 feet from the top. Step 2. Remove the 8 5/8" casing which was set but not cemented. Step 3. Try to circulate water, then pump 100 sax cement behind the 51" casing. Step 4. Open ports on 2 stage cementing tool and cement upper part of 54" casing with 75 sax coment. Step 5. Drive plug down hole outside of 54" casing and fill to surface

with cement.