



Cone 2803

STATE OF NEW MEXICO

STATE ENGINEER OFFICE

SANTA FE

S. E. REYNOLDS
STATE ENGINEER

May 13, 1963

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

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

Dear Mr. Porter:

Reference is made to the application of J. R. Cone for approval of the waterflood project in the Cone Jalmat Yates Pool Unit, Lea County, New Mexico and to my letter of May 7, 1963 on that subject.

I have discussed this application and a previously approved application in this pool with your Chief Engineer, Daniel Nutter and reached the conclusion that if the J. R. Cone application is approved with Restriction 3 of the British-American Order, it will be satisfactory with this office. Restriction 3 is quoted herewith:

"That water injection shall be accomplished either by injecting into all sands through one string of tubing under a packer or by injecting selectively through two strings of tubing under a packer; provided, however, that in the case of selective injection wells which are equipped with less than 5 1/2-inch pipe, selective injection ~~may~~ be made through one string of tubing under a packer and through the casing-tubing annulus in which case the casing must have been perforated and squeeze-cemented from total depth to the shoe of the surface string of casing."

Yours truly,

S. E. Reynolds
State Engineer

FEI/ma
cc-Kellahin & Fox
F. H. Hennighausen

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



STATE OF NEW MEXICO

STATE ENGINEER OFFICE

SANTA FE

S. E. REYNOLDS
STATE ENGINEER

May 7, 1963

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

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

Dear Mr. Porter:

Reference is made to the application of J. R. Cone for approval of the waterflood project in the Cone Jalmat Yates Pool Unit, Lea County, New Mexico. This proposed project is in the SE portion of Township 22 South, Range 35 East in southern Lea County.

Exhibits recently received from Mr. Kellahin, who represents J. R. Cone, include a schematic drawing of the water supply well, injection well and production well. It is noted on this exhibit that no cement exists in the annulus outside the $5\frac{1}{2}$ inch casing, in the injection well at the interval 350 feet depth to approximately 1700 feet depth. Mr. Cone proposes to inject through tubing under packer into the lower zone and down this $5\frac{1}{2}$ inch casing to an upper zone.

All of these wells are from 6 to 9 years old and nothing is said about the present condition of the casing or to what extent it may have deteriorated since being installed. Furthermore, there is no statement as to the condition of the casing at the time it was installed. You can readily see that there is nothing but the casing wall of the $5\frac{1}{2}$ inch casing between the Santa Rosa formation and the injection fluid. It is the opinion of this office that this is insufficient protection for the waters which occur in the Santa Rosa formation. Therefore, we cannot approve this plan of injection.

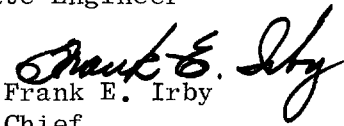
There are two possibilities that I might suggest: (1) that two strings of tubing be run and (2) that cement be placed in the annulus surrounding the $5\frac{1}{2}$ inch casing from the top of the present cement, at approximately 1700' depth, up into the 8 5/8 inch casing. I do not intend to be

presumptious by these suggestions, but they occurred to me and I thought they might be helpful to the applicant.

Yours very truly,

S. E. Reynolds
State Engineer

By:


Frank E. Irby
Chief

Water Rights Division

FEI/ma

cc-Kellahin & Fox (2 copies)

F. H. Hennighausen

GOVERNOR
EDWIN L. MECHEM
CHAIRMAN

State of New Mexico
Oil Conservation Commission



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

LAND COMMISSIONER
E. S. JOHNNY WALKER
MEMBER

P. O. BOX 871
SANTA FE

Mr. Jason Kellahin
Kellahin & Fox
Attorneys at Law
Box 1713
Santa Fe, New Mexico

_____, 19____

Gentlemen:

Enclosed herewith is Commission Order No. R- 2495 , entered in Case No. 2803, approving the Cave Talant Unit 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 24 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,

A. L. PORTER, Jr.
Secretary-Director

OCC Hobbs

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

June 11, 1963

C
O
P
Y
Mr. Jason Kellahin
Kellahin & Fox
Attorneys at Law
Post Office Box 1713
Santa Fe, New Mexico

Dear Mr. Kellahin:

Enclosed herewith is Commission Order No. R-2495, entered in Case No. 2803, approving the Cone Jalrat Unit 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 504 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,

A. L. PORTER, Jr.
Secretary-Director

ALP/ir
cc: Oil Conservation Commission - Hobbs, New Mexico