BEFORE THE OIL CONSERVATION COMMISSION

OF THE STATE OF NEW MEXICO

APPLICATION OF GREAT WESTERN DRILLING) COMPANY TO DULY COMPLETE ITS FEDERAL) MM NO. 2 WELL LOCATED IN THE SELNWE) SECTION 8, TOWNSHIP 9 SOUTH, RANGE) 37 EAST, N.M.P.M., LEA COUNTY, NEW) MEXICO (undesignated field) FOR THE) PRODUCTION OF OIL FROM THE BOUGH C) FORMATION AND FOR THE INJECTION OF) SALT WATER PRODUCED FROM SUCH WELL) INTO THE NON-PRODUCING FORMATIONS OF) SUCH WELL BETWEEN THE DEPTHS OF 4860) FEET AND 5060 FEET.

CASE NO.

APPLICATION

Comes now Great Western Drilling Company, whose address is Box 1659, Midland, Texas, and hereby makes Application to duly complete its Federal MM No. 2 Well proposed to be located in the SE₄NN₄ Section 8, Township 9 South, Range 37 East, N.M.P.M., Lea County, New Mexico (undesignated field) for the production of oil from the Bough C Formation and for the injection of salt water produced from such well into the non-producing formations of such well between the depths of 4860 feet and 5060 feet.

1. That the above well will be located 1980 feet from the north line and 1980 feet from the west line of said Section 8. That said well will be drilled in conformity with the Rules of this Commission; the pay zone will be perforated between the interval of approximately 9670 feet and 9680 feet.

2. That in the drilling and completion of said well the following casing program will be followed:

	<u>Diameter</u>	Setting Depth	Sacks Cement	Top of Cement
Surface	10-3/4"	200 '	225 sacks	To be circulated
Intermediate	7-5/8"	4300' <u>*</u>	regular 1700 sacks	To be circulated
Long String	4-1/2"	9800' <u>*</u>	350 sacks	5100' <u>+</u>

3. Upon information and belief, all of the formations underlying said well and the immediately surrounding area, between the depths of 4860 feet and 5060 feet are non-oil or gas bearing. 4. That the only wells capable of producing oil or gas in paying quantities within the vicinity of two miles from the above described well, together with the name of the operator thereof, are set forth in the plat attached to this Application, and marked Exhibit "A". That there are no wells within such area or vicinity producing oil or gas in paying quantities from the formations expected to be encountered in Applicant's well from the depths of 4860 feet to 5060 feet.

That the name and address of all offset operators to the lease on which Applicant's well will be situated are as follows:

NAME	ADDRESS
Santa Fe Pacific Rwy. Co.	900 Polk Street, Amarillo, Texas
Union Oil of California	Union Oil Building, Midland, Texas
John Kelly	Box 5671, Roswell, New Mexico
Texaco Inc.	Box 3109, Midland, Texas
King, Warren & Dye	Box 1505, Midland, Texas
L. B. Hodges	Box 671, Roswell, New Mexico

That the name and address of the surface owner of the lands upon which Applicant's well is located is:

NAME	ADDRESS	
Fred Baldridge	Portales,	New Mexico

5. That there are no other wells in the vicinity of Applicant's well which have been drilled, completed or abandoned which are susceptible to being used as a disposal well for the salt water which will be produced in Applicant's proposed well, and that it is infeasible, impracticable, and uneconomic to drill an additional well for the disposal of such salt water, or to truck or otherwise remove the same from the premises. That in order to protect the correlative rights of the various mineral owners in the lands on which Applicant's well is located, and to avoid waste, that it is necessary and proper to dispose of such salt water by the injection of the same down the annulus between the 7-5/8" intermediate casing and the 4-1/2" producing casing into the nonproducing formations under said well between the depths of 4860 feet and 5060 feet; such salt water will be confined to the aforesaid intervals between 4860 feet and 5060 feet. A schematic diagram of the casing and cementing program and the proposed method of disposing of such salt water, as aforesaid, is attached to this Application, and marked Exhibit "B".

Injection of such salt water will be by pressure pump at an estimated pressure of 1000 psi. This is a closed type system, and no filtration or chemical treatment is necessary to such salt water.

6. The above offset operators, surface owner, New Mexico State Engineer, and the U. S. Geological Survey of the Department of Interior, United States of America, have this date been furnished a copy of this Application by registered mail, due proof of which will be made at the hearing on this Application. The New Mexico State Engineer has further been furnished a copy of the water analysis of the salt water which it is believed will be produced from Applicant's well.

WHEREFORE, Applicant requests that this Application be set for an Examiner hearing after due notice, and for the granting of this Application after hearing.

GREAT WESTERN DRILLING COMPANY Christy, Β. Hervey Dow & Hinkle P. O. Box 10

Roswell, New Mexico Attorneys for Applicant

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