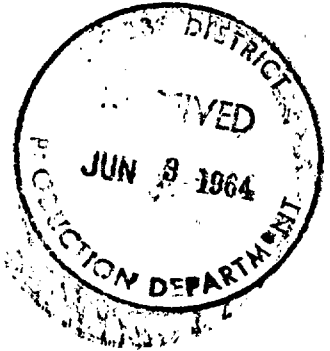


| | |
|-----------------------------|----------------------|
| BEFORE EXAMINER UTZ | |
| OIL CONSERVATION COMMISSION | |
| Appl. | EXHIBIT NO. <u>7</u> |
| CASE NO. | <u>3704</u> |

June 2, 1964



Mr. A. L. Porter, Jr.
Secretary-Director
Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico

Dear Mr. Porter:

Reference is made to the application of Continental Oil Company dated May 26, 1964 which seeks to interchange two wells in the Cave Pool by making well No. 46 a producing well and well No. 45 an injection well.

This office offers no objection to the granting of the application provided:

1. Injection pressure does not exceed 1500 psi.;
2. Casing in all wells be tested to 2000 psi before injection commences;
3. Injection into all wells that will not withstand 2000 psi be accomplished through tubing under a packer set well below the top of the cement surrounding the casing.

Very truly yours,

S. E. Reynolds
State Engineer

By:

Frank E. Irby, Chief
Water Rights Division

cc: A. B. Slaybough



MAIN OFFICE OCC

1964 JUL 9 AM 7:41
CONTINENTAL OIL COMPANY

P. O. BOX 460

HOBBS, NEW MEXICO

July 8, 1964

PRODUCTION DEPARTMENT
HOBBS DISTRICT
JACK MARSHALL
DISTRICT MANAGER
G. C. JAMIESON
ASSISTANT DISTRICT MANAGER

1001 NORTH TURNER
TELEPHONE: EX 3-4141

New Mexico Oil Conservation Commission
P. O. Box 2028
Santa Fe, New Mexico

Attention of Mr. A. L. Porter, Jr., Secretary-Director

Gentlemen: Re: Case 3074 - Cave Pool Unit

During the hearing on Case No. 3074, held July 1, 1964, you requested through our Mr. V. T. Lyon that Continental furnish certain data to your office. In accordance with your request we are enclosing verifax copies of well reports showing procedures utilized in converting 26 wells in the Cave Pool Unit to water injection.

Form C-103 covers the wells located on State leases and Form 9-331 covers those wells located on Federal leases. Each form contains the statement that the producing string was pressure tested as part of the normal conversion procedure. No casing repairs were necessary as all producing strings satisfactorily withstood the tests.

Please let us know if additional information will be required on these wells.

Yours very truly,

JM-DFW

Enc.

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

July 17, 1964

Mr. Jason Kellahin
Kellahin & Fox
Attorneys at Law
P. O. Box 1769
Santa Fe, New Mexico

Dear Mr. Kellahin:

Reference is made to Order No. R-2739, entered by the Commission July 15, 1964. This order authorized the substitution of Continental's Cave Unit Well No. 45 in Unit H of Section 9, Township 17 South, Range 29 East, Eddy County, New Mexico, as a water injection well in lieu of Unit Well No. 46 located in Unit I of said Section 9

Continental is authorized to use this well for water injection purposes provided that:

1. Injection pressure shall not exceed 1500 psi.
2. The casing in the subject well shall satisfactorily pass a 2000 psi pressure test prior to utilization as an injection well.
3. Injection shall be through tubing and a packer set immediately above the injection interval if any casing leak is apparent on the aforesaid casing test.
4. The District Office of the Commission at Artesia shall be notified of the hour and the date such pressure test is to be conducted.

Very truly yours,

A. L. PORTER, Jr.,
Secretary-Director

ALP/DSN/og

cc: Oil Conservation Commission - Artesia
Mr. Frank Irby - State Engineer Office - Santa Fe