

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

TONEY ANAYA GOVERNOR

August 20, 1984

POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO 87501 (505) 827-5800

Mr. Scott Hall Compbell, Evrd & Black	Re:	CASE NO. 8246 ORDER NO. R-7633
Attorneys at Law Fost Office Box 2203 Santa Fe, New Mexico		Applicant:
		Trans Peoos Resources, Inc.

Dear Sir:

Enclosed herewith are two copies of the above-referenced Division order recently entered in the subject case.

Yours very truly, MC JOE D. RAME

Director

JDR/fd

Copy of order also sent to:

Other

CAMPBELL, BYRD & BLACK, P.A.

LAWYERS

JACK M. CAMPBELL HARL D. BYRD BRUCE D. BLACK MICHAEL B. CAMPBELL WILLIAM F. CARR BRADFORD C. BERGE J. SCOTT HALL PETER N. IVES RUTH S. MUSGRAVE LOURDES A. MARTINEZ JEFFERSON PLACE SUITE I - 110 NORTH GUADALUPE POST OFFICE BOX 2208 SANTA FE, NEW MEXICO 87501 TELEPHONE: (505) 988-4421 TELECOPIER: (505) 983-6043

July 31, 1984

Mr. Richard L. Stamets New Mexico Oil Conservation Division Post Office Box 2088 Santa Fe, New Mexico 87501

Re: Case No. 8246: Application of Trans Pecos Resources, Inc. for Enhanced Oil Recovery Gas Injection Project, Guadalupe County, New Mexico.

Dear Mr. Stamets:

Enclosed for your consideration are two (2) proposed forms for Orders to be entered in the above-referenced proceeding.

You may recall that at the hearing held on this Application Trans Pecos requested that it be allowed to include additional offset recovery wells in the project area by administrative application (ordinary drilling permit requirements notwithstanding). Correspondingly, the additional proposed order submitted contains a provision allowing additional offset recovery wells to be so covered by the scope of the order while dispensing with the requirement for additional application and hearing.

Please let me know if I can provide additional information with respect to the subject application.

Very truly yours, J. Scott Hall

JSH/cv enclosures

4115 Silver Avenue SE Albuquerque NM 87108 EDA Instruments Inc. FROM: TO: CIGNA . . . MANUTS -* U.S.G.P.O. 1983-400-104 Label 11-B; Apr. 1983 Customer Number, if any: EDA AUD., N M. 87108 M. GUSANNA DIV. With the WWW. STEDI 6.0. Kox 2088 T NSTROME UTS i se A Fors 5 7 7 5 Return Receipt Service Weight To Whom & Date Del. 1582 B. Address of Del P.O. ZIF Coder EDS. Date Notice Left By: **B**5275851 EXPRESS MAR SERVICE DELIVERY WAS ATTEMPTED ure of Addition Base or Agen Time: **1194** P1 du \$V n 2 602 IVEE 7



Trans Pecos Resources, Inc. P.O. Box 328 Santa Rosa, N.M. 88435

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CONTACT PERSON TELEPHONE DATE REPORTED CLIENT NO. CLIENT P.O. NO. LOG NO. 17297 7-26-84 <u>(</u> . . . DATERS TIME RECEIVED RECEIVED BY: COLLECTED ÷ ; 7-16-84 Jack 7-20-84 11:50 am 01iver TYPE OF CONTAINEPS PRESERVATION WHEN RECEIVED RECEIVED VIA: NONE Glass Per. Del. PREPARED BY: DATE PREPARED: ADDITIONAL PRESERVATION OR PREPARATION SAMPLE ID Depth 52 ft., Flow Rate- 15 gallons a minute Well, NE¹/₄ Sec. 11, T9N, R23E mg/l mg/l meq/I use/I Alkalinity Aluminum (CaCO3) 313.8 Arsenic Bicarbonate 6.172 376.6 Barium Boron Cadmium Carbonate <0.01 Calcium Chloride 70.0 3.493 74.8 2.110 Chromium Cyanide Fluoride Cobalt Hardness Copper (CaCO₃) 332.5 Nitrate Gold (N) pH Iron (no units) <0.02 7.71 Lead Phenols tithiem Phosphate Magnesum Silica 38.3 3.151 Manginese Sulfate <0.01 354. 7.374 Solids (teta) Mercury 914. Dissofted) Solids (TODA) Molybdenum Suspended) Surfactants Nickel Color Potassium 1.19 0.030 (P.C.U.) Conductance Silver (John John Odor sele aum (T,0.1 Turbidity Septiminal 210. 9.135 17. 201 Cation 700

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July 19, 1984

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Mr. Richard L. Stamets Chief of Technical Services State of New Mexico Oil Conservation Division P.O. Box 2088 Land Office Building Santa Fe, New Mexico 87501

Re: Case #8246, Docket #25-84 Trans Pecos Resources, Latigo Ranch A#1

Dear Mr. Stamets:

With a view to satisfying your request for a summary of the computer data on the fracture gradient in the referenced well, Trans Pecos commissioned Dowdle, Fairchild and Ancell, who furnished the computer data, to prepare the enclosed summary.

In view of the experimental nature of this project we wish to proceed with all due caution, using the most conservative values we can generate from the limited data available. Consequently, as stated in the covering letter from Ken Ancell, we will adopt a new model using data from the Latigo Ranch B#2 rather than data from N2 and CO2 treatment on the Latigo Ranch A#1, which generated the values presented in my testimony at the hearing. If these projections are correct the maximum rates injected will be limited to 500MCFD. We propose to commence with far lower rates, monitoring injection pressures, and limit final rates to remain below the fracture pressure.

If miscibility is achieved, and apparent permeability is increased, higher injection rates would be possible while maintaining injection pressure below the fracture gradient. Such data, as generated, will be forwarded to your office routinely.

I trust the enclosed data will satisfy your requirements, however if you need any further information please notify me.

Yours Sincerely Jack Gawron Production Engineer

JG/ca Attachments

Dowdle Fairchild & Ancell, Inc.

OIL CONSERT OVISION SAN A FE Telephone (713) 497-8990

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J.

Petroleum Consultants

14811 St. Mary's Lane, Suite 140 Houston, Texas 77079

July 18, 1984

Mr. Robert McKinney Trans Pecos Resources 800 Gessner Suite 790 Houston, Texas 77024

Dear Bob:

Attached are two charts that deal with gas injection into the "E" Zone of the Latigo Ranch A-1. The first chart is the same plot we furnished you earlier which shows the surface pressure as a function of time for various injection rates and permeabilities. The second chart is similar except it shows the bottom hole pressure instead of surface pressure. Also shown is a fracture pressure line.

The fracture gradient was calculated from the adjacent Latigo Ranch B-2. This yields a fracture gradient of 0.78 psi/ft. This yields a pressure of 4760 psi at the "E" Zone level. The fracture pressures derived from treatments on the Latigo Ranch A-1 were complicated by the presence of Nitrogen and Carbon Dioxide which made the pressure response "mushy" and not very reliable for determining fracture gradients.

If you are restricted to pressures less than fracture pressure, 500 Mcfd is the maximum rate that you can inject if the permeability is in the 0.1 md range.

If we can help in any other way, please do not hesitate to call.

Sincerely,

DOWDLE FAIRCHILD & ANCELL, INC. ennet I. an which Kenneth L. Ancell

KLA/tb

Attachments





BEFORE THE

OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY AND MINERALS

JUL 6 1984

IN THE MATTER OF THE APPLICATION OF TRANS PECOS RESOURCES, INC. FOR AUTHORITY TO INJECT PRODUCED GAS FOR AN ENHANCED OIL RECOVERY PILOT PROJECT, GUADALUPE COUNTY, NEW MEXICO.

OIL CONSERVATION DIVISION

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Case 8246

ENTRY OF APPEARANCE

Comes now, CAMPBELL, BYRD & BLACK, P.A., and hereby enters its appearance in the above-referenced cause for Trans Pecos Resources, Inc.

Respectfully submitted,

CAMPBELL, BYRD & BLACK, P.A.

By

William F. Carr Post Office Box 2208 Santa Fe, New Mexico 87501 (505) 988-4421

ATTORNEYS FOR TRANS PECOS RESOURCES, INC.