



OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO
P. O. BOX 2088 - SANTA FE
87501

September 14, 1971

GOVERNOR
BRUCE KING
CHAIRMAN

LAND COMMISSIONER
ALEX J. ARMIJO
MEMBER

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

Mr. Clarence Hinkle
Hinkle, Bondurant, Cox & Eaton
Attorneys at Law
Post Office Box 10
Roswell, New Mexico 88201

Re: Case No. 4430

Order No. R-4051-A

Applicant:

Union Texas Petroleum Corp.

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

ALP/ir

Copy of order also sent to:

Hobbs OCC x

Artesia OCC

Aztec OCC

Other State Engineer Office



OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

P. O. BOX 2088 - SANTA FE

87501

GOVERNOR
DAVID F. CARGO
CHAIRMAN

LAND COMMISSIONER
ALEX J. ARMIJO
MEMBER

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

November 2, 1970

Mr. Clarence Hinkle
Hinkle, Bondurant, Cox & Eaton
Attorneys at Law
Post Office Box 10
Roswell, New Mexico 88201

Re: Case No. 4430
Order No. R-4051
Applicant:
Union Texas Petroleum Corp.

Dear Sir:

Enclosed herewith is a copy of the above-referenced Commission order recently entered in the subject case. Letter pertaining to conditions of approval and maximum allowable to follow.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

ALP/ir

Copy of order also sent to:

Hobbs OCC x
Artesia OCC
Aztec OCC
State Engineer x

Other _____

CLARENCE E. HINKLE
W. E. BONDURANT, JR.
LEWIS C. COX, JR.
PAUL W. EATON, JR.
CONRAD E. COFFIELD
HAROLD L. HENSLEY, JR.
STUART D. SHANOR

C. D. MARTIN
PAUL J. KELLY, JR.

LAW OFFICES
HINKLE, BONDURANT, COX & EATON

600 HINKLE BUILDING
POST OFFICE BOX 10
ROSWELL, NEW MEXICO 88201

September 8, 1970

TELEPHONE (505) 822-6510

MIDLAND, TEXAS OFFICE
521 MIDLAND TOWER
(515) MU 3-4891

Case 4436

Oil Conservation Commission
Box 2088
Santa Fe, New Mexico 87501

Gentlemen:

We are representing Union Texas Petroleum Division of Allied Chemical Corporation. Union Texas is in the process of completing a unit agreement for the development and operation of the Langlie-Jal Unit Area, Lea County, which will embrace a total of 3,748.06 acres in Townships 24 and 25 South, Range 37 East, N.M.P.M. The primary purpose of forming the unit agreement is to inaugurate a waterflood project. The unit agreement will cover the productive interval between the top of the Seven Rivers formation and the base of the Queen formation occurring between the depths of 3,095 feet and 3,691 feet in the Skelly Oil Company Sherrel No. 7 well located 1980 feet from the south and east lines of Section 31, Township 24 South, Range 37 East. The lands embraced within the unit consist of federal, state and fee lands and Union Texas is designated as unit operator.

The proposed waterflood project will be co-extensive with the unit area and it is contemplated that there will be 46 injection wells, of which 34 will be presently producing wells which will be converted to injection wells and 12 new wells will be drilled. There is enclosed herewith a copy of Table No. 1 which has been prepared by Union Texas giving a description of the injection wells and the proposed injection interval in each well. It is contemplated that the initial injection rate will be around 500 barrels of water per day per well and it is estimated that the initial injection pressure will be around 1,000 psi. The source of water will be the Skelly Oil Company Jal water system which originates from the Capitan Reef and produced water.

DOCKET 4436

DATE 9-18-70

September 8, 1970

We are in the process of preparing separate applications for hearings before the Commission, one to be the application for approval of the unit agreement and the other the application for approval of the waterflood project. Union Texas has not yet furnished us with all the necessary information for completing these applications but expects to do so shortly. In the meantime, we would appreciate your arranging for the advertisement of these 2 cases so that they will appear on the examiner's docket for September 30, which we understand is the date set for the next examiner's hearing.

In connection with the waterflood project application, we would like for the notice to indicate that request will be made for a project allowable in accordance with Rule 701 and Union Texas would also like for the order approving the waterflood project to provide for administrative approval of any additional injection wells in the event they should become desirable or necessary in the future.

Just as soon as we receive the necessary information, we will file the formal applications for both of these cases.

Yours sincerely,

HINKLE, BONDURANT, COX & EATON

By 

CEH:cs



UNION TEXAS PETROLEUM DIVISION

Corporation

1300 WILCO BUILDING • MIDLAND, TEXAS 79701 AREA CODE, 915, 682-0515

November 6, 1970

Oil Conservation Commission
State of New Mexico
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention: Mr. A. L. Porter

Dear Sir:

Reference is made to your letter of November 3, 1970, concerning Commission Order No. R-4051, entered in Case No. 4430.

In the third paragraph of your letter, the maximum allowable for the project is stated to be 3822 barrels per day when the normal Southeast New Mexico Unit allowable is 42 barrels per day or less. The qualified unit area contains 3708.06 acres, more or less, which yields 93 40-acre proration units. Four of the proration units do not presently contain wells. However, all four locations will be developed in the unit operation. Two of the locations are proposed injection wells, and two will be producing wells. The producing wells will be in Unit E of Section 8, T-25-S, R-37-E and Unit E of Section 9, T-25-S, R-37-E. The injection wells, which were specified in the plan of operation, will be located in Unit D of Section 8, T-25-S, R-37-E, and Unit F of Section 4, T-25-S, R-37-E. Using the qualified unit area of 93 proration units, we calculate the maximum allowable to be 3906 barrels per day. If we are successful in negotiating Continental Oil Company's 40 acre State KQ Lease into the unit, there will be 94 proration units and a corresponding allowable of 3948 barrels per day.

Please change your records to indicate the calculated maximum allowable to be 3906 barrels per day. Should you have any questions, do not hesitate to call.

Yours truly,

UNION TEXAS PETROLEUM CORPORATION

Don B. Wells
Petroleum Engineer

DBW/wd

cc: Oil Conservation Commission - Hobbs, New Mexico

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

November 3, 1970

Mr. Clarence Hinkle
Hinkle, Bonduant, Cox & Eaton
Attorneys at Law
Post Office Box 10
Roswell, New Mexico 88201

Dear Sir:

Reference is made to Commission Order No. R-4051, entered in Case No. 4430, approving the Union Texas Langlie Jal Waterflood Project.

Injection shall be through the 46 authorized water injection wells, each of which shall be equipped with cement-lined tubing set in a packer located as near as practicable to the uppermost perforation, or in the case of open-hole completions, as near as practicable to the casing shoe. The casing-tubing annulus of all but the three dual completions shall be loaded with an inert fluid and equipped with a pressure gauge at the surface.

As to allowable, our calculations indicate that 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 3822 barrels per day when the Southeast New Mexico normal unit allowable is 42 barrels per day or less.

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.

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

-2-

Mr. Clarence Kinkie
Kinkie, Bondurant, Cox & Eaton
Attorneys at Law
Roswell, New Mexico

November 3, 1970

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/DSN/lr

cc: OCC-Hobbs, New Mexico
U. S. Geological Survey - Hobbs
Mr. D. E. Gray, State Engineer Office, Santa Fe, N.M.

CLARENCE E. HINKLE
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MIDLAND, TEXAS OFFICE
521 MIDLAND TOWER
(915) MU 3-4691

September 15, 1970

(Page 4430)

Oil Conservation Commission
Box 2088
Santa Fe, New Mexico 87501

Gentlemen:

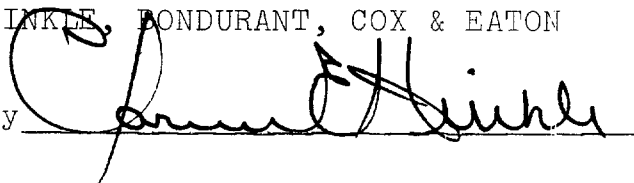
We enclose in triplicate two applications of Union Texas Petroleum Division of Allied Chemical Corporation; one being for approval of the Langlie-Jal Unit Agreement and the other for approval of a waterflood project to be co-extensive with the unit area. We have previously written you concerning these applications and the writer has talked with Mr. Dan Nutter and it is our understanding that these cases will appear on the examiner's docket for September 30.

In connection with the application for the waterflood project, Rule 701 requires that logs of the proposed injection wells be filed if available. There are to be 46 injection wells, 34 of which will be converted and an effort will be made to obtain logs of all of these wells which are available and they will be filed at a later date.

Yours very truly,

HINKLE, BONDURANT, COX & EATON

By



CEH:cs
Enc.

CLARENCE E. HINKLE
W. E. BONDURANT, JR.
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September 18, 1970

TELEPHONE (505) 622-6510

MIDLAND, TEXAS OFFICE
521 MIDLAND TOWER
(915) MU 3-4691

Oil Conservation Commission
Box 2088
Santa Fe, New Mexico 87501

Re: Case No. 4430

Gentlemen:

Under date of September 15, we forwarded to you the application of Union Texas Petroleum for approval of a water-flood project to be co-extensive with the proposed Langlie-Jal Unit Area, which is on the September 30 examiner's hearing docket as No. 4430. We advised that logs of the proposed injection wells would be filed as soon as available. We enclose herewith copies of the electrical logs in connection with the following producing wells which will be converted to injection wells; these are partial logs showing only the producing zones into which water will be injected:

Skelly Oil Company, Sherrill No. 7
The Texas Company Fristoe N.O.T. 4 "B" No. 1
R. Olsen Well No. 10
Sinclair Oil & Gas State "C" No. 2
Pan American Petroleum Corporation P.J. Langlie "A" No. 2
R. Olsen Phillips No. 2
R. Olsen Phillips No. 3
R. Olsen Phillips No. 5
Anderson Prichard Oil Corporation Langlie C-2
Anderson Prichard Oil Corporation Langlie No. 6

We also enclose a partial reproduced copy of the Olsen Phillips No. 4 and Skelly Sherrill No. 7 wells for the purpose of showing the correlation of the producing horizon.

September 18, 1970

The above listed logs are all of the logs which are available of the proposed 34 wells which will be converted to injection wells. The wells for which logs are not available are old wells and Union Texas has been unable to acquire logs on these wells. The enclosed logs are to be filed in connection with the above application in compliance with Rule 701.

Yours sincerely,

HINKLE, BONDURANT, COX & EATON

By Clarence E. Hinkle
Ed

CEH:cs

Enc.

cc: James L. Mackey