



Lone Star Producing Company

BRANDON C. SMITH
District Engineer
West Texas District
Production Department

Telephone: AC 915 682-5221

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Suite 300 Commercial
Bank Tower Building
P.O. Box 4815
Midland, Texas 79701

New Mexico Oil Conservation Commission
Box 2088
State Land Building
Santa Fe, New Mexico 87501

Re: Application to Dispose of Salt
Water Into a Porous Formation
in Lone Star Producing Company's
Santa Fe No. 2
East Crossroads Field
Lea County, New Mexico

Gentlemen:

Attached is NMOCC Form C-108 "Application to Dispose of Salt Water by Injection Into a Porous Formation" in our Santa Fe No. 2, East Crossroads Field, Lea County, New Mexico, together with all required supporting data.

For your information, of the three wells drilled by Lone Star Producing Company in East Crossroads (Devonian) Field (Santa Fe Nos. 1, 2 and 3), only the Santa Fe No. 1 is currently producing. The Santa Fe No. 2 has watered out and is currently in temporary abandonment status. The Santa Fe No. 3 has been used as a saltwater disposal well in the San Andres formation until recently. The San Andres pressured up, leaks and mechanical problems developed and the well had to be plugged and abandoned.

Water disposal costs, by trucking, from our Santa Fe No. 1 are averaging approximately \$5,000 per month. This means that total operating costs are excessive and the resultant high economic limit will require early abandonment and will cause waste. To lower the salt water disposal costs, and consequently the economic limit on our Santa Fe No. 1, it is proposed to convert our Santa Fe No. 2 to a saltwater well by injecting Devonian Water from our Santa Fe No. 1 back into the Devonian formation. The Santa Fe is currently completed in the Devonian, with tubing and packer still installed. Our Santa Fe No. 2 is located in the SE $\frac{1}{4}$ of Section 19. There are three other Devonian producers in East Crossroads Field and one Devonian producer in Crossroads Field as follows:

<u>Field</u>	<u>Operator</u>	<u>Sec</u>	<u>Distance and Direction From L.S. Santa Fe No. 2</u>
East Crossroads	H.H. Wright	19	1000' N
	Santa Fe R.R.C.	19	600' WSW
	Lone Star Prod. Co.	30	1850' SW
Crossroads	Oil Dev. Co.	26	9350' WSW

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