

Case Number  
4679

Application

Transcripts

Small Exhibits

ETC.

dearnley-meier reporting service inc.

SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIONS

1120 SIMAS BLDG. • P. O. BOX 1092 • PHONE 243-6691 • ALBUQUERQUE, NEW MEXICO



BEFORE THE  
NEW MEXICO OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico  
March 15, 1972

EXAMINER HEARING

-----  
IN THE MATTER OF: )

Application of Burk Royalty )  
Company for salt water disposal, )  
Lea County, New Mexico )  
-----

No. 4679

BEFORE: Daniel S. Nutter, Examiner

TRANSCRIPT OF HEARING

dearnley-meier reporting services

1 MR. NUTTER: Case 4679.

2 MR. HATCH: Application of Burk Royalty  
3 Company for salt water disposal, Lea County, New  
4 Mexico.

5 MR. KELLAHIN: If the Examiner please,  
6 Jason Kellahin of Kellahin and Fox, appearing for  
7 the applicant. We have one witness.

8 (Whereupon the witness was sworn.)

9 (Whereupon, Exhibits 1 through 5  
10 were marked for identification.)

11 TOM DARLING

12 A Witness, having been first duly sworn on oath, was  
13 examined and testified as follows:

14 DIRECT EXAMINATION

15 BY MR. KELLAHIN:

16 Q State your name?

17 A Tom Darling.

18 Q By whom are you employed and in what position?

19 A Burk Royalty Company, Vice President in charge  
20 of Engineering.

21 Q Where are you located?

22 A Wichita Falls, Texas.

23 Q Have you ever testified before the Oil Commission  
24 or this Examiner?  
25

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1 A No, sir.

2 Q For the benefit of the Examiner, would you briefly  
3 outline your education and experience that you have had?

4 A Graduate Petroleum Engineer, University of Oklahoma,  
5 1949; Chief Engineer, Reno Oil Company, three years;  
6 Engineer, Vice President in charge of Engineering, Burk  
7 Royalty Company, 20 years.

8 Q In connection with your work for Burk Royalty  
9 Company, have you done engineering work in Southeastern,  
10 New Mexico?

11 A I have.

12 MR. KELLAHIN: Are the witness's  
13 qualifications acceptable?

14 MR. NUTTER: Yes, they are.

15 Q Mr. Darling, briefly what is proposed by the  
16 applicant in Case No. 4679?

17 A We are requesting permission to inject water  
18 back into the lower Yates Formation. This water is being  
19 produced from the Yates Formation.

20 Q So you are injecting Yates water back into the  
21 same formation from which it was produced?

22 A That is correct, yes, sir.

23 Q Are you presently operating then under a temporary  
24 authorization from the Oil Conservation Commission?  
25

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1 A We are presently operating under a temporary  
2 authority from the Commission.

3 Q Now, referring to what has been marked as Exhibit  
4 No. 1, would you identify that exhibit?

5 A Exhibit No. 1 is a plat showing the wells and  
6 their locations on our leases. The No. 3 well which is  
7 located in the northwest of the northeast of the northeast  
8 of Section 35, Township 20 South, Range 34 East is the  
9 proposed water injection well.

10 Q Now, are the other wells the source of the water  
11 which you will be injecting into that well?

12 A Yes, the water is coming out of the No. 1 well.

13 Q On the same lease?

14 A On the same lease, yes, on the Neal lease.

15 Q Now, referring to what has been marked as  
16 Exhibit No. 2, would you identify that exhibit?

17 A This is an exhibit which shows all of the wells  
18 within a two-mile area, showing the various zones in which  
19 these wells are completed.

20 Q Now, there are other Yates producing wells in  
21 the vicinity of this well, is that correct?

22 A There is.

23 Q Has there been other salt water disposal wells  
24 approved in this area similarly to the one for which you are  
25

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1 applying?

2 A Yes, there was a well approved on the Phillips  
3 Lease, I think they call that their Cruces Lease, Well  
4 No. 5, which is located in the southwest of the southeast  
5 of the southeast of Section 26.

6 Q Now, have they been injecting water into that  
7 well for some time, or do you know?

8 A No, I do not know, but I do not think they are  
9 injecting water into it. But Phillips did send a Waiver on  
10 our temporary authority to inject water.

11 Q There are a number of Yates producers immediately  
12 offsetting your well?

13 A Yes.

14 Q In your opinion, with the injection of water into  
15 the Yates Formation cause any damage to these producing  
16 wells?

17 A No, sir.

18 Q Referring to what has been marked as Applicant's  
19 Exhibit No. 3, would you identify that exhibit?

20 A This is a sonic log run by Schlumberger, which  
21 shows the zone into which we propose to inject water,  
22 which is the lower Yates Sand.

23 Q What is the footage interval or the injection  
24 interval?  
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A It's perforated from 3703 to 3717.

Q Now, referring to the Applicant's Exhibit No. 4, would you discuss the manner in which you have completed or propose to complete this well?

A We propose to run a plastic coated packer which we set at 3630 feet, with plastic coated two-inch tubing. The top of the cement on the 5 1/2 casing is at 2944 and this is taken from a temperature survey run on the well. We propose to leave the annulus open to assure ourselves that the water is going below the packer seat. Also, we propose that from 90 to 120 days to run a tracer survey which we will be happy to furnish to the Commission, to be sure that the water is going where we want it to go.

Q Now, you don't propose to fill that casing tubing annulus?

A No.

Q In your opinion, will leaving the casing tubing annulus open give you a certain indication that there is no leakage?

A Yes, it will; if it flows out of the valves, we will know that it's leaking.

Q Referring to what has been marked as Exhibit No. 5, would you identify that, please?

A This is a water analysis on the Neal No. 1 Well,

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1 which is producing the water we propose to inject into  
2 this well.

3 Q It's going into the same formation from which it  
4 is produced, so there would be no problem of compatibility?

5 A No.

6 Q Will you use a closed system?

7 A Yes, we are using a closed system.

8 Q What volume of water will you be injecting into  
9 this well?

10 A We have approximately 120 barrels a day.

11 Q Do you anticipate that that may be more or less  
12 as the well continues to produce?

13 A I think it will remain approximately the same.  
14 Of course, we are reinjecting 125 barrels a day which would  
15 probably increase it to 250, as a maximum.

16 Q You are saying that if this has any effect on  
17 the reservoir, it will be a secondary recovery operation?

18 A Right, that's absolutely correct.

19 Q Were Exhibits 1 through 4 prepared by you or under  
20 your supervision?

21 A That's true.

22 Q And Exhibit 5 is a copy of the water analysis  
23 made for your company?

24 A Right.  
25



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1 MR. KELLAHIN: I would like to offer  
2 into evidence Exhibits 1 through 5, inclusive.

3 MR. NUTTER: Exhibits 1 through 5 will  
4 be admitted in evidence.

5 (Whereupon, Exhibits 1 through 5 were  
6 offered and admitted into evidence.)

7 MR. KELLAHIN: That's all I have.

8 CROSS EXAMINATION

9 BY MR. NUTTER:

10 Q Mr. Darling, as I understand it, the 8 5/8ths  
11 inch surface pipe was set at 190 feet and circulated to the  
12 surface. Is that right?

13 A That's correct.

14 Q 5 1/2 is at 3804?

15 A Correct.

16 Q It was cemented with 200 sacks and the top of the  
17 cement is 2944?

18 A That's correct, and that's from a temperature  
19 survey.

20 Q Now, there was a condition to Phillips' Waiver, as  
21 I recall, that the waters would be disposed of into the  
22 equivalent zones that their well had been approved for?

23 A Yes.

24 Q Is this the equivalent zone as indicated on  
25

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1 Exhibit No. 3 of the log?

2 A Yes, sir.

3 Q Thank you. And that tubing string you mentioned  
4 would be plastic coated?

5 A It is plastic coated, yes, sir.

6 MR. NUTTER: Are there further questions  
7 of Mr. Darling? You may be excused.

8 (Whereupon, the witness was excused.)

9 MR. NUTTER: Do you have anything  
10 further, Mr. Kellahin?

11 MR. KELLAHIN: No, I haven't.

12 MR. NUTTER: All right, if no one has  
13 anything they wish to offer in Case No. 4679, we  
14 will take the case under advisement.  
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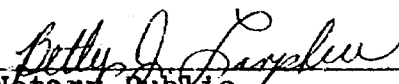
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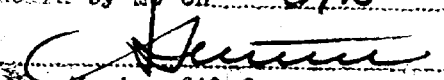
1 STATE OF NEW MEXICO )  
2 ) ss  
3 COUNTY OF SANTA FE )

4 I, BETTY J. LANPHERE, Notary Public in and for the  
5 County of Santa Fe, State of New Mexico, do hereby certify  
6 that the foregoing and attached Transcript of Hearing before  
7 the New Mexico Oil Conservation Commission was reported by  
8 me; and that the same is a true and correct record of the  
9 said proceedings, to the best of my knowledge, skill and  
10 ability.

11   
12 Notary Public

13 My Commission Expires

14 March 22, 1975  
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22 It do hereby certify that the foregoing is  
23 a complete record of the proceedings in  
24 the Exclusion Hearing of Case No. 4679  
25 Heard by me on 3/15 1972  
  
Examiner  
New Mexico Oil Conservation Commission

B. A. Kimbrell, President  
Jon H. Bear, V. P.  
B. C. Wohner, Secy.-Treas.

Tom Darling, P. V. Eng.  
Bill Durren, V. P. Prod.

## Burk Royalty Co.

800 Oil & Gas Building  
Midhita Falls, Texas 76301

*File Case No  
4679*

June 12, 1972

*OK  
JHB*

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

Dear Mr. Porter:

In Case No. 4679, Order No. R-4283 Burk Royalty Co. was given permission to dispose of salt water in its Neal #3 located in Section 35 - T20S - R34E, Lea County, New Mexico. The Commission requested that after water had been injected for some period of time that a sub-surface tracer survey be made to determine where the water is being injected.

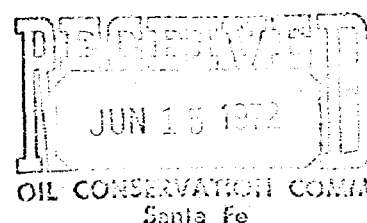
We, therefore, enclose a copy of the survey indicating that the water is entering the proper formation and there are no leaks.

Very truly yours,

BURK ROYALTY CO.

*[Signature]*  
Jon H. Bear

JHB:js  
Enc.





## OIL CONSERVATION COMMISSION

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

**GOVERNOR  
BRUCE KING  
CHAIRMAN**

**LAND COMMISSIONER  
ALEX J. ARMIJO  
MEMBER**

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

March 17, 1972

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

Re: Case No. 4679  
Order No. R-4283  
Applicant:  
Burk Royalty Company

**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.

A. L. PORTER, Jr.  
Secretary-Director

ALP/ir

Copy of order also sent to:

Hobbs OCC           x          

Artesia OCC

**Aztec OCC**

Other \_\_\_\_\_

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
COMMISSION OF NEW MEXICO FOR  
THE PURPOSE OF CONSIDERING:

CASE No. 4679  
Order No. R-4283

APPLICATION OF BURK ROYALTY COMPANY  
FOR SALT WATER DISPOSAL, LEA COUNTY,  
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on March 15, 1972, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 17th day of March, 1972, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Burk Royalty Company, is the owner and operator of the Neal Well No. 3, located in the NW/4 NE/4 SE/4 of Section 35, Township 20 South, Range 34 East, NMPM, Lynch Yates-Seven Rivers Pool, Lea County, New Mexico.

(3) That the applicant proposes to utilize said well to dispose of produced salt water into the Yates-Seven Rivers formations, with injection into the perforated interval from approximately 3703 feet to 3717 feet.

(4) That the injection should be accomplished through 2-inch plastic-lined tubing installed in a packer set at approximately 3630 feet; that the casing-tubing annulus should be filled with an inert fluid; and that a pressure gauge should be attached to the annulus or the annulus left open at the

-2-

CASE No. 4679  
Order No. R-4283

surface in order to determine leakage in the casing, tubing, or packer.

(5) That approval of the subject application will prevent the drilling of unnecessary wells and otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Burk Royalty Company, is hereby authorized to utilize its Neal Well No. 3, located in the NW/4 NE/4 NE/4 of Section 35, Township 20 South, Range 34 East, NMPM, Lynch Yates-Seven Rivers Pool, Lea County, New Mexico, to dispose of produced salt water into the Yates-Seven Rivers formations, injection to be accomplished through 2-inch tubing installed in a packer set at approximately 3630 feet, with injection into the perforated interval from approximately 3703 feet to 3717 feet;

PROVIDED HOWEVER, that the tubing shall be plastic-lined; that the casing-tubing annulus shall be filled with an inert fluid; and that a pressure gauge shall be attached to the annulus or the annulus left open at the surface in order to determine leakage in the casing, tubing, or packer.

(2) That the applicant shall submit monthly reports of its disposal operations in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.

(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

  
BRUCE KING, Chairman

ALEX J. ARMIJO, Member

A. L. PORTER, Jr., Member & Secretary

(Case 4677 continued)

water disposal well, located in Unit S of Section 2, Township 21 South, Range 33 East, Lynch Pool, Lea County, New Mexico, should not be equipped and operated as required by Commission Order No. R-3797.

CASE 4678: Application of HNG Oil Company for a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of its Elliott Federal "31" Well No. 1 located in Unit A of Section 31, Township 24 South, Range 38 East, Lea County, New Mexico, in such a manner as to permit the production of oil from the Dollarhide Fusselman and Dollarhide Ellenburger Pools through parallel strings of tubing.

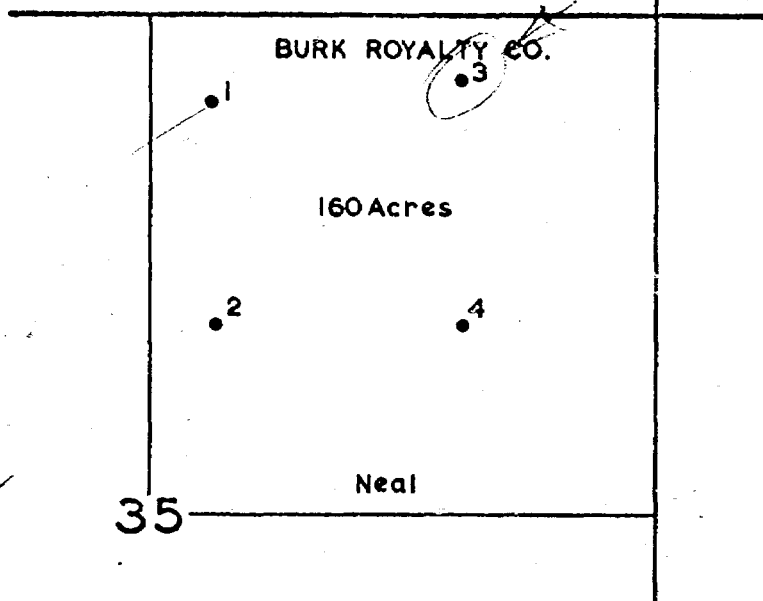
CASE 4679: Application of Burk Royalty Company for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Yates-Seven Rivers formations in the perforated interval from 3705 feet to 3714 feet in its Neal Well No. 3 located in the NW/4 NE/4 NE/4 of Section 35, Township 20 South, Range 34 East, Lynch Yates-Seven Rivers Pool, Lea County, New Mexico.

CASE 4681: Application of Anadarko Production Company for a waterflood expansion and for directional drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the expansion of its Langlie-Mattix Penrose Sand Waterflood Project, Langlie-Mattix Pool, Lea County, New Mexico, by the injection of water into the Penrose Sand through seven directionally drilled wells which would be drilled in lieu of and/or in addition to those wells authorized by Commission Order No. R-4225. Surface locations of the seven proposed wells, all in Township 22 South, Range 37 East, would be: Well No. 1-2, 1220 feet from the South and West lines of Section 14; Well No. 8-5, 290 feet from the North and West lines of Section 21; Well No. 7-4, 55 feet from the North line and 2630 feet from the East line of Section 21; Well No. 6-2, 55 feet from the North line and 90 feet from the East line of Section 21; Well No. 5 A-3, 55 feet from the North line and 2550 feet from the West line of Section 22; Well No. 2-2, 980 feet from the North line and 1250 feet from the West line of Section 23; and Well No. 40-1, 1610 feet from the South line and 1220 feet from the West line of Section 23. Each of the above wells would be



R34E

T  
20  
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*Mineral  
Production  
Proposed*



BURK ROYALTY CO.  
NEAL LEASE  
NE/4 SEC. 35 T20S R34E  
LEA COUNTY NEW MEXICO

BEFORE EXAMINER NUTTER  
OIL CONSERVATION COMMISSION

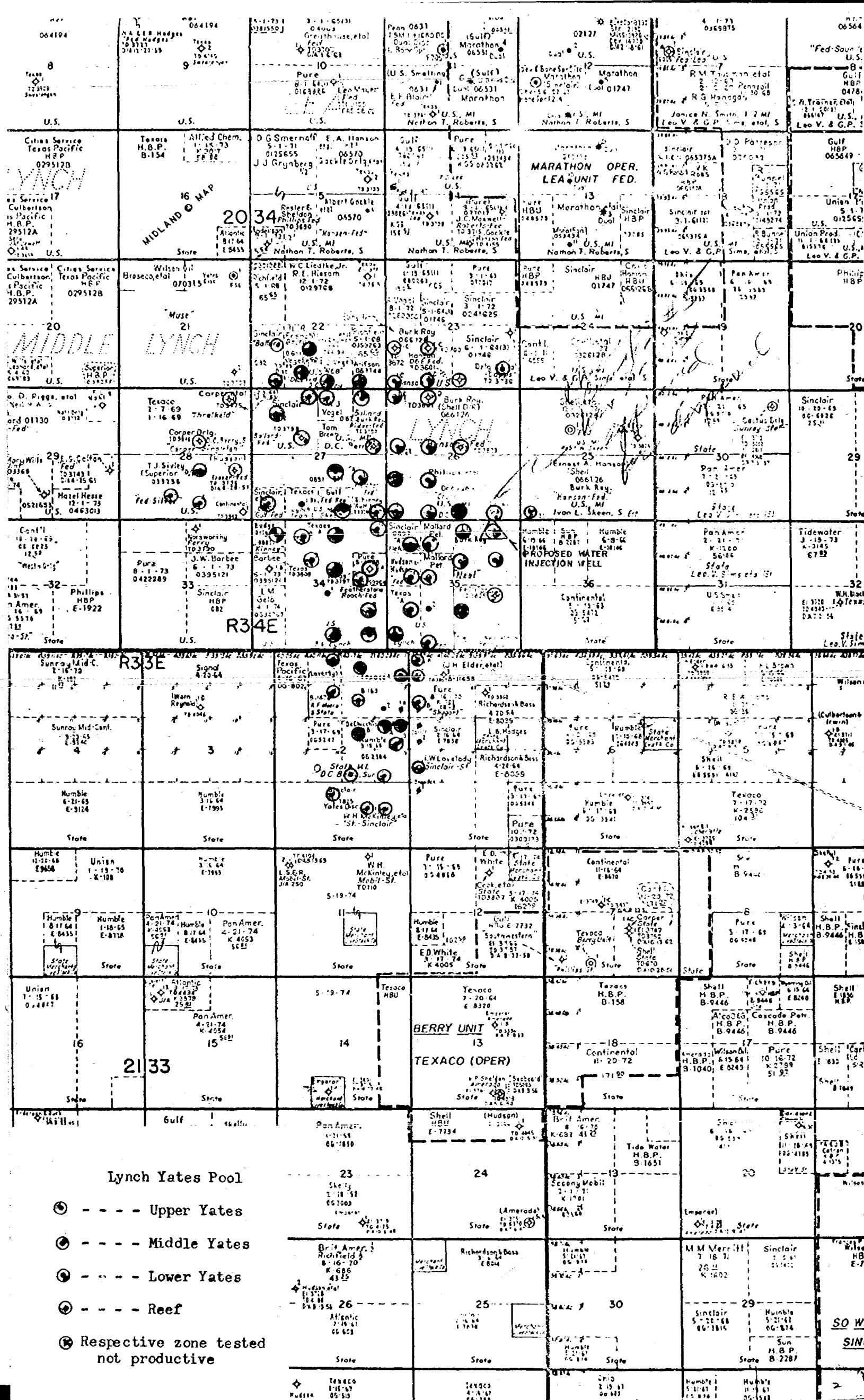
Burk EXHIBIT NO. 1

CASE NO. 4679

Submitted by Tom Darling

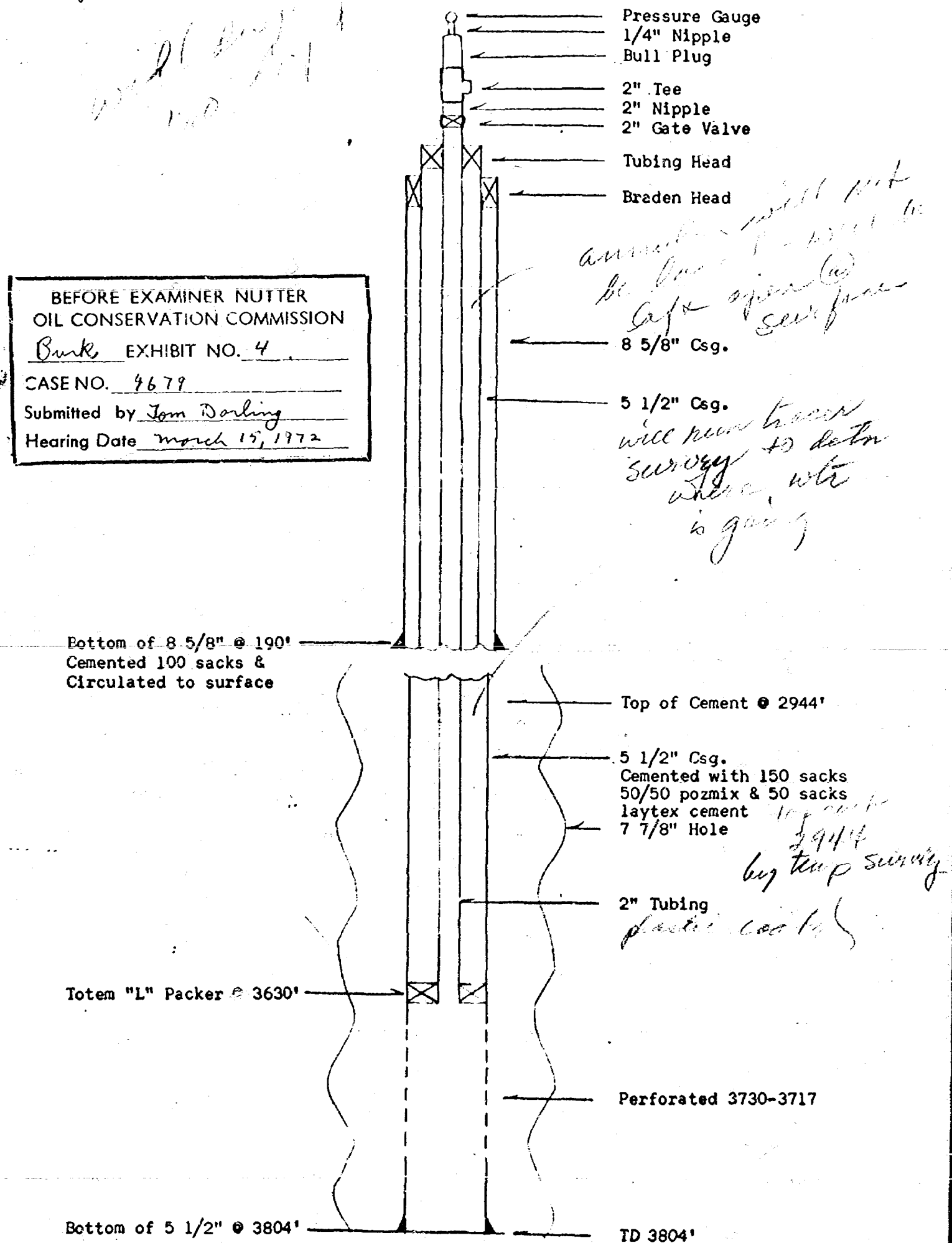
Hearing Date March 15, 1912

Scale: 1" = 1000'



BURK ROYALTY CO.  
Neal #3  
Lea County, New Mexico

Location: NW of NE of NE  
Sec. 35 T20S R34E



## TRETOLITE DIVISION

369 Marshall Avenue / Saint Louis, Missouri 63119  
(314) WO 1-3500/TWX 910-760-1600/Telex 44-2417

## WATER ANALYSIS REPORT

COMPANY Burk Royalty Oil Co. ADDRESS Hobbs N.M. DATE 1-7-72  
 SOURCE Neal #1 (Lynch Field) DATE SAMPLED \_\_\_\_\_ ANALYSIS NO. 5692  
 Analysis \_\_\_\_\_ Mg/L \_\_\_\_\_ \*Meq/L \_\_\_\_\_

1. PH 6.4  
 2. H<sub>2</sub>S (Qualitative) Neg.  
 3. Specific Gravity 1.055  
 4. Dissolved Solids 85,317  
 5. Suspended Solids \_\_\_\_\_  
 6. Phenolphthalein Alkalinity (CaCO<sub>3</sub>) 200  
 7. Methyl Orange Alkalinity (CaCO<sub>3</sub>) \_\_\_\_\_  
 8. Bicarbonate (HCO<sub>3</sub>) 244 ÷ 61 4.0 HCO<sub>3</sub>  
 9. Chlorides (Cl) 46,000 ÷ 35.5 1,296 Cl  
 10. Sulfates (SO<sub>4</sub>) 7,268 ÷ 48 151 SO<sub>4</sub>  
 11. Calcium (Ca) 1,760 ÷ 20 88 Ca  
 12. Magnesium (Mg) 1,458 ÷ 12.2 120 Mg  
 13. Total Hardness (CaCO<sub>3</sub>) 10,400  
 14. Total Iron (Fe) 97.6 ppm  
 15. Barium (Qualitative) \_\_\_\_\_  
 16. \_\_\_\_\_  
 \*Milli equivalents per liter

## PROBABLE MINERAL COMPOSITION

	Ca	HCO <sub>3</sub>		Compound	Equiv. Wt.	X	Meq/L	=	Mg/L
88	←	→	4.0	Ca (HCO <sub>3</sub> ) <sub>2</sub>	81.04		4.0		324
120	←	→	151	Ca SO <sub>4</sub>	68.07		84		5,720
1,243	←	→	1,296	Ca Cl <sub>2</sub>	55.50				
				Mg (HCO <sub>3</sub> ) <sub>2</sub>	73.17				
				Mg SO <sub>4</sub>	60.19		67		4,033
				Mg Cl <sub>2</sub>	47.62		53		2,520
				Na HCO <sub>3</sub>	84.00				
				Na <sub>2</sub> SO <sub>4</sub>	71.03				
				Na Cl	58.46		1,243		72,720

Saturation Values Distilled Water 20°C  
 Ca CO<sub>3</sub> 13 Mg/L  
 Ca SO<sub>4</sub> • 2H<sub>2</sub>O 2,090 Mg/L  
 Mg CO<sub>3</sub> 103 Mg/L

REMARKS Mr. Dan Berry(1) Copy 800 Oil & Gas Bldg. Wichita Falls, Texas 76301CC: Ligon, Worsham, Farish, FileRespectfully submitted  
TRETOLITE COMPANY  
Ray Shaffner

BEFORE THE

OIL CONSERVATION COMMISSION OF NEW MEXICO

IN THE MATTER OF THE APPLICATION  
OF BURK ROYALTY COMPANY FOR  
SALT WATER DISPOSAL, LEA COUNTY,  
NEW MEXICO.

*Page 4679*

A P P L I C A T I O N

Comes now Burk Royalty Company, 800 Oil & Gas Building,  
Wichita Falls, Texas, and applies to the Oil Conservation  
Commission of New Mexico for permission to dispose of produced  
water in its Neal No. 3 well, located in the NW 1/4 NE 1/4 NE 1/4  
of Section 35, Township 20 South, Range 34 East, N.M.P.M., Lea  
County, New Mexico, and in support thereof would show the  
Commission:

1. Applicant proposes to complete the Neal No. 3 well  
for disposal of produced water in the Yates formation of the  
Lynch Yates-Seven Rivers Pool, Lea County, New Mexico.
2. Disposal of water will be through tubing, under a  
packer, and through perforations at 3705 to 3714 feet, in the  
Neal No. 3 well.
3. Applicant proposes to dispose of approximately 100  
to 125 barrels of water per day. Source of the water is produced  
water from the Lynch Yates-Seven Rivers pool, produced from  
three wells operated on the same lease as the disposal well.
4. Similar water disposal has been previously approved  
by the Commission on acreage offsetting applicant's acreage.

DOCKETED

DATE 3/3/72

5. Approval of this application is in the interests of conservation, and will result in the prevention of waste.

WHEREFORE, applicant prays that this application be set for hearing before the Commission or the Commission's duly appointed examiner, and that after notice and hearing as required by law, the Commission enter its order approving the water disposal project as applied for.

Respectfully submitted,

BURK ROYALTY COMPANY

By Jason W. Kellahin  
KELLAHIN & FOX  
P. O. Box 1769  
Santa Fe, New Mexico 87501

ATTORNEYS FOR APPLICANT

DOMESTIC SERVICE	
Check the class of service desired; otherwise this message will be sent as a fast telegram.	
TELEGRAM	<input type="checkbox"/>
DAY LETTER	<input type="checkbox"/>
NIGHT LETTER	<input type="checkbox"/>

# WESTERN UNION TELEGRAM

INTERNATIONAL SERVICE	
Check the class of service desired; otherwise the message will be sent at the full rate.	
FULL RATE	<input type="checkbox"/>
LETTER TELEGRAM	<input type="checkbox"/>
SHORE SHIP	<input type="checkbox"/>

NO	WDS	CL OF SVC	PD OR COLL	CASH NO	CHARGE TO THE ACCOUNT OF	TIME FILED
			COLLECT		<i>Acct 4679</i>	2:15 P.M.

Send the following message, subject to the terms on back hereof, which are hereby agreed to

**FEBRUARY 16, 1972**

**BURK ROYALTY COMPANY  
800 OIL & GAS BLDG.  
WICHITA FALLS, TEXAS**

**TEMPORARY AUTHORITY HEREBY GRANTED PENDING HEARING AND PERMANENT ORDER TO DISPOSE SALT WATER INTO PERFORATIONS 3705-3714 FEET NEAL NUMBER 3 A-35-208-34E PROVIDED INJECTION THROUGH TUBING AND PACKER. THIS AUTHORITY EXPIRES APRIL 15, 1972.**

**A. L. PORTER, Jr.  
SECRETARY-DIRECTOR  
OIL CONSERVATION COMMISSION  
SANTA FE, NEW MEXICO**

WU1206(R2-65)

WESTERN UNION

COLLECT

BURK ROYALTY COMPANY  
800 OIL & GAS BLDG  
WICHITA FALLS TEXAS

HEREBY GRANTED  
TEMPORARY AUTHORITY, PENDING  
~~THE~~ HEARING AND PERMANENT ORDER  
TO DISPOSE SALT WATER INTO  
PERFORATIONS 3705 - 3714 FEET  
NEAL NUMBER 3 A-35-205-34E  
PROVIDED INJECTION THROUGH TUBING  
AND PACKER. THIS AUTHORITY  
EXPIRES APRIL 15, 1972.

A.L. PORTER JR  
SECRETARY DIRECTOR

Typed copy to

Phillips Petroleum Co  
Phillips Bldg  
Odessa Texas 79760

DO NOT RECD

Date \_\_\_\_\_

Attn: Mr. G.W. Edwards





# Telegram

KA020 NSB051

1971 FEB 16 AM 9 05

(943).

NS DAO18 HH PDB 3 EXTRA=ODESSA TEX 16 937A CST=  
NEW MEXICO OIL CONSERVATION COMMISSION=  
STATE LAND OFC BLDG SANTA FE NMEX= *Case 4679*

ATTENTION MR D S NUTTER, CHIEF ENGINEER, RE LYNCH SEVEN  
RIVERS YATES POOL, LEE COUNTY NEW MEXICO. PHILLIPS  
PETROLEUM COMPANY AS OFFSET OPERATOR HEREBY WAIVES  
OBJECTION TO THE IMMEDIATE APPROVAL WITHOUT NOTICE AND  
HEARING FOR CONVERSION OF BURK ROYALTY COMPANIES NEAL  
WELL NUMBER THREE A-35-208-34E TO PRODUCE WATER  
INJECTION INTO SEVEN RIVERS YATES FORMATION. THE  
INJECTION INTERVAL TO BE SAME AS APPROVED BY NMOCC  
R-3666 FOR PHILLIPS FUTURE INJECTION INTO CRUCES

WU 1201 (R 5-69)

3606-57110



# Telegram

FEDERAL WELL NUMBER 5 P-26-208-34E=

PHILLIPS PETROLEUM CO G W EDWARDS RESERVOIR  
ENGINEERING SUPERVISOR==

WU 1201 (R 5-69)

NW NW (2)  
NW NE NE

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1

3

0

05

0

993' ECL

#1

#3

993' ECL

MO WEDS

BURK

20

04

35

Burk Loyalty Wichita Falls

Get waiver from PPO and  
we will let him disengage  
into #3 temporarily until  
we have a hearing in  
March -

He will try to get waiver &  
will file application -

Burk Neal #3 88(6) 190 W/ 100 SX  
5 1/2 (2) 3804 W/ 200 SX  
100's 3705-3714

Top of 1st 16" 7K top  
PMA 05 88(6) 162 W/ 115 SX  
11. (2) 3759 W/ 328 SX  
Top of 1st 16"

per 1st 16" 3606-3622  
per 1st 16" 3606-3622

DRAFT

GMH/esr

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
COMMISSION OF NEW MEXICO FOR  
THE PURPOSE OF CONSIDERING:

CASE No. 4679

Order No. R- 4283

APPLICATION OF BURK ROYALTY COMPANY  
FOR SALT WATER DISPOSAL, LEA COUNTY,  
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on March 15, 1972,  
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this        day of March, 1972, the Commission, a  
quorum being present, having considered the testimony, the record,  
and the recommendations of the Examiner, and being fully advised  
in the premises,

FINDS:

(1) That due public notice having been given as required by  
law, the Commission has jurisdiction of this cause and the subject  
matter thereof.

(2) That the applicant, Burk Royalty Company,  
is the owner and operator of the Neal Well No. 3,  
the NW/4 NE/4 NE/4  
located in Unit xxx of Section 35, Township 20 South, Range  
34 East, NMPM, Lynch Yates-Seven Rivers Pool, Lea  
County, New Mexico.

(3) That the applicant proposes to utilize said well to  
dispose of produced salt water into the Yates-Seven Rivers  
formations, with injection into the perforated interval  
from approximately 3703 feet to 3717 feet.  
3705 3714

(4) That the injection should be accomplished through  
2-inch plastic-lined tubing installed in a packer set at

approximately 3630 feet; that the casing-tubing annulus should be filled with an inert fluid; and that a pressure gauge should be attached to the annulus or the annulus left open at the surface in order to determine leakage in the casing, tubing, or packer.

(5) That approval of the subject application will prevent the drilling of unnecessary wells and otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Burk Royalty Company, is hereby authorized to utilize its Neal Well No. 3, the NW/4 NE/4 NE/4 located in ~~Unit~~ of Section 35, Township 20 South, Range 34 East, NMPM, Lynch Yates-Seven Rivers Pool, Lea County, New Mexico, to dispose of produced salt water into the Yates-Seven Rivers formations, injection to be accomplished through 2-inch tubing installed in a packer set at approximately 3630 feet, with injection into the perforated interval from approximately 3703 feet to 3717 feet; ~~3705~~ ~~3714~~

PROVIDED HOWEVER, that the tubing shall be plastic-lined; that the casing-tubing annulus shall be filled with an inert fluid; and that a pressure gauge shall be attached to the annulus or the annulus left open at the surface in order to determine leakage in the casing, tubing, or packer.

(2) That the applicant shall submit monthly reports of its disposal operations in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.

(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.