

CASE 4689: Appli. of PETROLEUM
CORP. OF TEXAS FOR AN EXCEPTION
TO ORDER NO. R-3221, AS AMENDED.

*Copy
of
order
R-3221*

Case Number

4689

Application

Transcripts

Small Exhibits

ETC.

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BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
CONFERENCE ROOM, STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO
MAY 5, 1972

EXAMINER HEARING

IN THE MATTER OF:

Application of Petroleum Corporation
of Texas for an exception to Order
No. R-3221, as amended, Eddy County,
New Mexico.

CASE NO. 4689

BEFORE: Elvis A. Utz
Examiner

TRANSCRIPT OF HEARING

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1 MR. UTZ: Case 4689.

2 MR. HATCH: The Application of Petroleum Corporation
 3 of Texas for an exception to Order No. R-3221, as amended,
 4 Eddy County, New Mexico.

5 MR. CAMPBELL: Mr. Examiner, Jack M. Campbell,
 6 attorney from Santa Fe, New Mexico, representing the
 7 Applicant. I have one witness, Mr. Ken Freeman.

8 KENNETH FREEMAN,
 9 was called as a witness and, after being duly sworn, testified
 10 as follows:

11 MR. UTZ: Any other Appearances in this Case?

12 (No response.)

13 MR. UTZ: You may proceed.

14 DIRECT EXAMINATION

15 BY MR. CAMPBELL:

16 Q Will you state your name, please?

17 A Kenneth Freeman.

18 Q Where do you live, Mr. Freeman?

19 A Midland, Texas.

20 Q By whom are you employed?

21 A The Petroleum of Texas.

22 Q In what capacity?

23 A District Superintendent and Petroleum Engineer.

24 Q What is your professional background?

25 A As a Petroleum Engineer, I graduated from the University

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1 of Texas and I have worked primarily along the Gulf
2 Coast.

3 Q Have you testified before this Commission previously?

4 A Yes, I have.

5 MR. CAMPBELL: Do you want any further qualifications?

6 MR. UTZ: The witness is qualified. I will ask
7 your last name again.

8 THE WITNESS: Freeman, F-r-e-e-m-a-n.

9 Q (By Mr. Campbell) Are you acquainted with the properties
10 owned by your Company and generally, with the other
11 properties in the Grayburg-Jackson Pool in Eddy County,
12 New Mexico, particularly Section 20, Township 17 South,
13 Range 30 East?

14 A Yes, I am.

15 Q Did you testify before this Commission previously
16 seeking an exception to Order Number R-3221?

17 A Yes, I have on two different occasions.

18 Q Can you give the Examiner a very quick review of the
19 history of this pool in terms of how long it has been
20 in production and the nature of the early drilling
21 programs, and so forth?

22 A Well, this old pool was drilled in the early thirties,
23 primarily the bulk of the development and drilling was
24 with cable tools as well as rotary tools and the reason
25 we are asking for this exception is there is no fresh

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1 water in the area that I am aware of.

2 Q Have you previously obtained approval for the disposal
3 of produced water in this area?

4 A Yes, we have.

5 Q For what wells?

6 A One well was the Flint, located in Unit "M", Section
7 14, 17, 30. The other well was the Dexter J located
8 in Unit "J", Section 22, 17, 30.

9 Q I will hand you what has been identified or refer to
10 what has been identified as Applicant's Exhibit Number 1,
11 and I will ask you to state what that is, please.

12 A It is a generalized plat showing the area with a three
13 mile circle around the subleases we are trying to
14 obtain approval for.

15 Q How are the leases identified on this plat, the leases
16 you are seeking approval for?

17 A They are outlined in red with hash marks.

18 Q What other wells are identified on that plat?

19 A What I have done is selected a typical log from the
20 Dexter J located in Section 22. The reason for this
21 is from the surface down, it is a complete log and the
22 other wells that have triangles around them are subject
23 wells and the other wells that we have logs on.

24 We have correlated these altogether and made a
25 generalized section for the area.

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- 1 Q I am going to ask you to refer to what has been
- 2 identified as Applicant's Exhibit Number 2 and ask
- 3 you to state what that is.
- 4 A It is a well log on the Dexter 15, located in Section
- 5 15, 17, 30. The main thing this shows is there is no
- 6 fresh water that we can detect.
- 7 Q Referring to what has been identified as Applicant's
- 8 Exhibit 3, I will ask you to state what that is, please.
- 9 A It is also a gamma-ray neutron log of the Federal Well
- 10 Number 3 located in Section 20, and it is drawn with the
- 11 various tops of the salt beds located on the log.
- 12 Q I refer you to what has been identified as Applicant's
- 13 Exhibit 4 and ask you to state what that is.
- 14 A This is a log on the Dexter J located in Section 22,
- 15 17, 30, and that is what I have used, or have called
- 16 the typical log because if you note, it goes from the
- 17 surface on down and is the best log that we have.
- 18 Q Have you, Mr. Freeman, carefully examined all of these
- 19 logs?
- 20 A Yes, I have.
- 21 Q In your examination, have you found any indication of
- 22 any bed which might bear fresh water and which is
- 23 reflected in the logs?
- 24 A No, I haven't.
- 25 Q I refer you now to what has been marked as Exhibit 5

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1 and ask you to state what that is, please.

2 A This is a stratographic section that has been made
3 up from these various logs and from Well Number 3
4 that is located in Section 22 and that was a cable
5 tool hole and we have not noticed any water bearing
6 sands.

7 Q I will refer you now to what has been marked Applicant's
8 Exhibit 6 and ask you to state what that is, please.

9 A This is a copy of the individual well tests. You will
10 notice the date, the barrels of oil and water that the
11 wells make, and these are all marginal wells.

12 The Dexter 15 is three and one-half barrels a
13 day with ten barrels of water.

14 The Jenkins B is nine barrels of water per day.

15 Q What is the total amount of water reflected as being
16 produced from these five wells?

17 A About eighteen to nineteen barrels of water per day.

18 Q What is the total amount of oil, approximately?

19 A About seventeen barrels of oil.

20 Q Have you -- well, let's move on and I will ask you to
21 look at what has been identified as Applicant's Exhibits
22 7 and 8, and ask you to state what those are, please.

23 A These are just water analyses which we took at the
24 wellhead and had a surface company analyse the water.

25 Q What do they reflect in terms of the quality of the water?

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1 A Just breakish, saline type of water.

2 Q Is it potable water?

3 A No, it is salt water.

4 Q Now, have you made inquiries as to the alternative
5 for disposing of this water, other than disposing of
6 it in unlined pits?

7 A Well, on the Dexter Federal J, which is located in
8 Section 22, we, at one time, hauled water from the
9 gathering tank and the resulting cost was twenty-five
10 cents per barrel.

11 Q Would that additional cost and, considering the marginal
12 nature of these wells, would it be economical for you
13 to follow that procedure and still operate the wells?

14 A No, it would not.

15 Q So that you would have to abandon the wells unless you
16 found some other choice, or disposition of this water?

17 A Either that or shut the majority of them down.

18 Q Do you believe that if you are permitted to dispose of
19 this water in unlined pits, such as are shown in Order
20 R-33-321, that there will be any risk of damage to any
21 fresh water, potable water in the area?

22 A I do not because, to my knowledge, there is not any
23 fresh water in this area.

24 It is being piped in to the local Hill Town site
25 to my knowledge, and there are no windmills in the

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1 general area.

2 Q Is there any indication to you that, should you be
 3 permitted to do this, that the correlative rights of
 4 the other producers in the area would be in any way
 5 adversely affected?

6 A Not to my knowledge.

7 MR. CAMPBELL: Mr. Examiner, I would like to
 8 offer Applicant's Exhibits 1 through 8.

9 MR. UTZ: Without objection, Exhibits 1 through
 10 8 will be entered into the record of this Case.

11 (Whereupon, Applicant's Exhibits 1 through 8
 12 were admitted, in evidence.)

13 MR. CAMPBELL: That's all I have, at this time.

14 MR. UTZ: Any questions of the witness?

15 CROSS-EXAMINATION

16 BY MR. PORTER:

17 Q Did you testify as to the proximity of any fresh water
 18 wells in this area?

19 A Would you restate the question.

20 Q How close are your wells here to any fresh water wells
 21 in the area?

22 A I don't know of any fresh water wells in the area.

23 I mean, we have looked around and there are no windmills,
 24 that I know of.

25 Q You said that, within a two or three mile radius, that

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1 you don't have any fresh water wells?

2 A That is correct. Our information man has said that

3 south of Loco Hills, about four or five miles, he knew

4 of one windmill and that is the closest I know of.

5 Q How does Loco Hills get fresh water?

6 A It is piped in from Tap Rock, as far as I know.

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

8 CROSS-EXAMINATION

9 BY MR. UTZ:

10 Q Did you make a thorough search as to fresh water in

11 the area in a three mile radius around each site?

12 A Yes, we have.

13 MR. UTZ: Any further questions?

14 (No response.)

15 MR. UTZ: If not, the witness may be excused.

16 (Witness excused.)

17 MR. UTZ: Any statements in the Case?

18 (No response)

19 MR. UTZ: The Case will be taken under advisement.

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1 STATE OF NEW MEXICO)
2) ss
3 COUNTY OF BERNALILLO)

4 I, RICHARD E. MCCORMICK, a Certified Shorthand Reporter,
5 in and for the County of Bernalillo, State of New Mexico,
6 do hereby certify that the foregoing and attached Transcript
7 of Hearing before the New Mexico Oil Conservation Commission
8 was reported by me; and that the same is a true and correct
9 record of the said proceedings to the best of my knowledge,
10 skill and ability.

11 *Richard E. McCormick*
12 CERTIFIED SHORTHAND REPORTER
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I do hereby certify that the foregoing is
a complete record of the proceedings in
the Bernalillo hearing of Case No. 4689,
heard by me on May 8, 1972.
Richard E. McCormick, Reporter
New Mexico Oil Conservation Commission

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I N D E XWITNESS:PAGEKENNETH FREEMAN

Direct Examination by Mr. Campbell

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Cross-Examination by Mr. Porter

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Cross-Examination by Mr. Utz

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E X H I B I T SAPPLICANT'S (Petroleum Corp.)OFFERED ADMITTED

Exhibit Number 1

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Exhibit Number 2

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Exhibit Number 3

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Exhibit Number 4

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Exhibit Number 5

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Exhibit Number 6

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Exhibit Number 7

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Exhibit Number 8

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BEFORE THE
 NEW MEXICO OIL CONSERVATION COMMISSION
 CONFERENCE ROOM, STATE LAND OFFICE BUILDING
 SANTA FE, NEW MEXICO
 April 5, 1972

EXAMINER HEARING

IN THE MATTER OF:

Application of Petroleum
 Corporation of Texas for an
 exception to Order No.
 R-3221, as amended, Eddy
 County, New Mexico.

Case No. 4689

BEFORE: Daniel S. Nutter
 Alternate Examiner.

TRANSCRIPT OF HEARING

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MR. NUTTER: Call case number 4689.

MR. HATCH: Case 4689. Application of Petroleum Corporation of Texas for an exception to order number R-3221, as amended, Eddy County, New Mexico. The Commission has received a request from the applicant that the case be continued to the Examiner hearing to be held May the 5th.

MR. NUTTER: Case number 4689 will be continued to the Examiner hearing to be held at the same place, nine o'clock a.m., on May 5th, 1972.

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1 STATE OF NEW MEXICO)
) SS.
 2 COUNTY OF BERNALILLO)

3 I, LINDA MALONE, a Certified Shorthand Reporter, do
 4 hereby certify that the foregoing and attached Transcript of
 5 Hearing before the New Mexico Oil Conservation Commission was
 6 reported by me; and that the same is a true and correct record
 7 of the said proceedings, to the best of my knowledge, skill
 8 and ability.

Linda Malone
 CERTIFIED SHORTHAND REPORTER

I do hereby certify that the foregoing is
 a complete record of the proceedings in
 the Bernalillo Hearing of Case No. 4689
 heard by me on 8/5 19 72

[Signature]
 New Mexico Oil Conservation Commission



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

May 11, 1972

Honorable Jack M. Campbell
Campbell, Olmsted, Cohen &
Bingaman
Attorneys at Law
Post Office Box 877
Santa Fe, New Mexico

Re: Case No. 4689
Order No. R-4295
Applicant:

Petroleum Corporation of Texas

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	x
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. 4689
Order No. R-4295

APPLICATION OF PETROLEUM CORPORATION
OF TEXAS FOR AN EXCEPTION TO ORDER
NO. R-3221, AS AMENDED, EDDY COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on May 5, 1972,
at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 11th day of May, 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, Petroleum Corporation of Texas,
is the owner and operator of certain leases in the Grayburg-
Jackson Pool comprising the NW/4 SW/4 of Section 15, and the
NW/4 of Section 20, Township 17 South, Range 30 East, NMPM,
Eddy County, New Mexico.

(3) That Order (3) of Commission Order No. R-3221, as
amended, prohibits in that area encompassed by Lea, Eddy,
Chaves, and Roosevelt Counties, New Mexico, the disposal, sub-
ject to minor exceptions, of water produced in conjunction with
the production of oil or gas, or both, on the surface of the
ground, or in any pit, pond, lake, depression, draw, streambed,
or arroyo, or in any watercourse, or in any other place or in
any manner which would constitute a hazard to any fresh water
supplies and said disposal has not previously been prohibited.

(4) That the aforesaid Order No. R-3221 was issued in order
to afford reasonable protection against contamination of fresh
water supplies designated by the State Engineer through disposal
of water produced in conjunction with the production of oil or
gas, or both, in unlined surface pits.

-2-

CASE NO. 4689
Order No. R-4295

(5) That the State Engineer has designated, pursuant to Section 65-3-11 (15), N.M.S.A., 1953 Compilation, all underground water in the State of New Mexico containing 10,000 parts per million or less of dissolved solids as fresh water supplies to be afforded reasonable protection against contamination; except that said designation does not include any water for which there is no present or reasonably foreseeable beneficial use that would be impaired by contamination.

(6) That the applicant seeks an exception to the provisions of the aforesaid Order (3) to permit the disposal of salt water produced by applicant's Dexter Federal 15 Well No. 1, located in Unit J of said Section 15 and its Jenkins Wells Nos. 1, 2, 3, and 4, located in the NW/4 of said Section 20 in unlined surface pits on said leases.

(7) That the applicant has recently completed the Dexter Federal 15 Well No. 1, located 1650 feet from the South line and 1650 feet from the East line of said Section 15 as a producing well in the Grayburg-Jackson Pool.

(8) That the Dexter Federal Well produces approximately ten barrels of water per day and the four Jenkins wells produce approximately nine barrels of water per day combined.

(9) That there appears to be no shallow fresh water in the vicinity of any of the above-described wells for which a present or reasonably foreseeable beneficial use is or will be impaired by contamination from unlined surface pits located in the vicinity of said wells.

(10) That the applicant should be permitted to utilize unlined surface pits for the disposal of salt water produced by the above-described five wells.

IT IS THEREFORE ORDERED:

(1) That the applicant, Petroleum Corporation of Texas, is hereby granted an exception to Order (3) of Commission Order No. R-3221, as amended, to dispose of water produced in conjunction with the production of oil or gas, or both, by its Dexter Federal 15 Well No. 1, located in Unit J of Section 15 and its Jenkins Wells Nos. 1, 2, 3, and 4, located in the NW/4 of Section 20, Township 17 South, Range 30 East, NMPM, Grayburg-Jackson Pool, Eddy County, New Mexico, in unlined surface pits located in the vicinity of said wells.

(2) That the Secretary-Director of the Commission may by administrative order rescind such authority whenever it reasonably appears to the Secretary-Director that such rescission would serve to protect fresh water supplies from contamination.

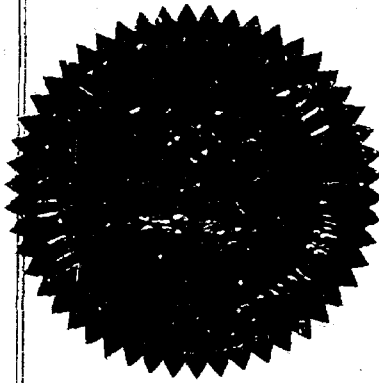
-3-

CASE NO. 4689
Order No. R-4295

(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
BRUCE KING, Chairman

Alex J. Armito
ALEX J. ARMITO, Member

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

S E A L

dr/

(Case 4683 Continued)

seeks the creation of a new pool for the production of oil to be designated the Metts Permo-Pennsylvanian Pool for its three wells located in Unit L of Section 29, Unit P of Section 30 and Unit D of Section 32, Township 14 South, Range 34 East, Lea County, New Mexico. Applicant further seeks the promulgation of special rules for the pool including a provision for 160-acre spacing and proration units.

CASE 4684: Application of The Petroleum Corporation for creation of a new gas pool and special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new gas pool for its Tenneco Federal Well No. 1 located 990 feet from the South line and 2310 feet from the West line of Section 12, Township 26 South, Range 37 East, Lea County, New Mexico. Applicant further seeks the promulgation of special rules therefor, including a provision for 640-acre spacing and proration units.

CASE 4689: Application of Petroleum Corporation of Texas for an exception to Order No. R-3221, as amended, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Order No. R-3221, as amended, to dispose into unlined surface pits water produced by its Dexter Federal Well No. 15 located in Unit J of Section 15, and all of its wells located or to be located in the NW/4 of Section 20, Township 17 South, Range 30 East, Grayburg-Jackson Pool, Eddy County, New Mexico.

CASE 4685: Application of Fluid Power Pump Company for two non-standard oil proration units, Sandoval County, New Mexico. Applicant, in the above-styled cause, seeks approval for two 160-acre non-standard oil proration units in Township 19 North, Range 3 West, Media-Entrada Oil Pool, Sandoval County, New Mexico, comprising the following-described acreage:

1. S/2 SW/4 of Section 14 and the N/2 NW/4 of Section 23;
2. S/2 SE/4 of Section 15 and N/2 NE/4 of Section 22.

OLMSTED, COHEN & BINGAMAN

ATTORNEYS AT LAW

CHARLES D. OLMSTED
SAUL COHEN
JEFF BINGAMAN

March 16, 1972

RECEIVED
MAR 17 1972
NEW MEXICO STATE
SANTA FE

237 EAST PALACE AVENUE
P. O. BOX 877
SANTA FE, NEW MEXICO 87501
TELEPHONE (505) 982-3595
JACK M. CAMPBELL, OF COUNSEL

Box
Case 4689

New Mexico Oil Conservation Commission
Attention: Mrs. Ida Rodriguez
State Land Office Building
Santa Fe, New Mexico 87501

Re: Application of Petroleum Corporation of Texas for Exception to Order No. R-3221,
as amended, Eddy County, New Mexico

Dear Ida:

As I stated on the phone yesterday, we would like to have the hearing on the Application of Petroleum Corporation of Texas, postponed until the May 5 hearing of the Commission. Would you please continue the matter to that date and notify us accordingly.

Enclosed you will also find our Application for Exception. If we have omitted anything from the Application which is required at this time, please let me know.

Thank you for your help.

Sincerely,

Jeff Bingaman
Jeff Bingaman

JB:sw

cc: Mr. Ken Freeman
Petroleum Corporation of Texas

DOCKET MARKED

Date 4-21-72
for May 5th
hearing

DOCKET MARKED

Date 3-23-72

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. 4689

APPLICATION OF PETROLEUM CORPORATION OF
TEXAS FOR AN EXCEPTION TO ORDER NO. R-3221,
AS AMENDED, EDDY COUNTY, NEW MEXICO

APPLICATION FOR EXCEPTION

Applicant, Petroleum Corporation of Texas, by and through its attorneys,
Jack M. Campbell and Olmsted, Cohen & Bingaman, hereby makes application
for an exception to New Mexico Oil Conservation Commission Order No. R-3221,
as amended, and in support of said application states:

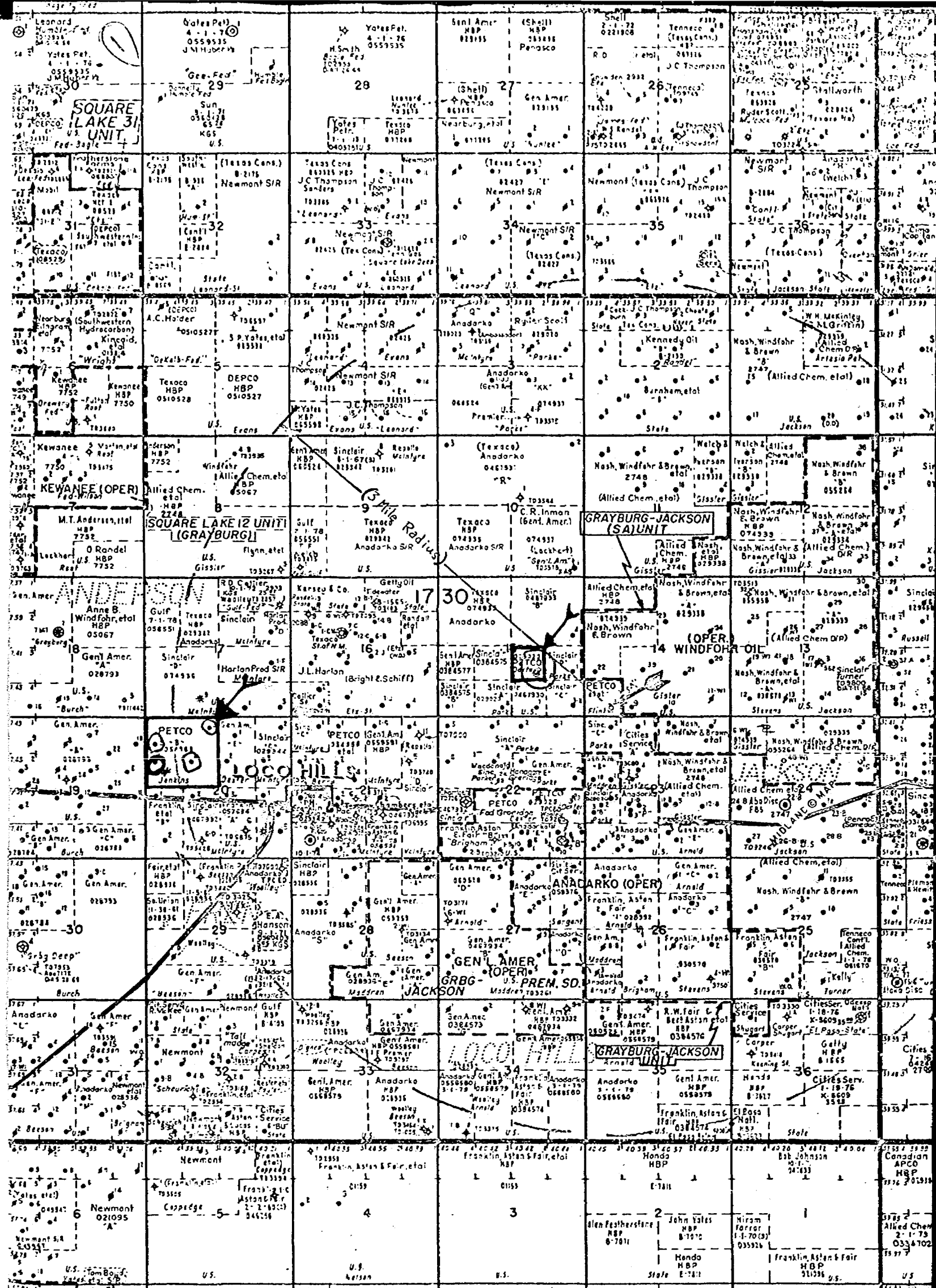
1. Applicant is the owner and operator of a well designated Dexter Fed
15, Unit J, Section 15, Twp. 17-S, Rge. 30-E and four wells designated Jenkins
1, 2, 3, and 4, in the NW $\frac{1}{4}$, Section 20, Twp. 17-S, Rge. 30-E, all in Eddy
County, New Mexico (see copy of plat attached).
2. New Mexico Oil Conservation Commission Order No. R-3221, as amended,
prohibits the disposal of water produced in conjunction with the production of oil and
gas into unlined surface pits in this area of the state.
3. Applicant desires to dispose of produced water from the wells mentioned above
in order to facilitate production of oil and gas.
4. There is no shallow fresh water in the vicinity of the proposed pits for
which a present or reasonably foreseeable beneficial use is or will be made that
would be impaired by contamination from the proposed pits.

WHEREFORE, applicant requests the Commission to enter its Order granting
applicant an exception to Order No. R-3221, as amended.

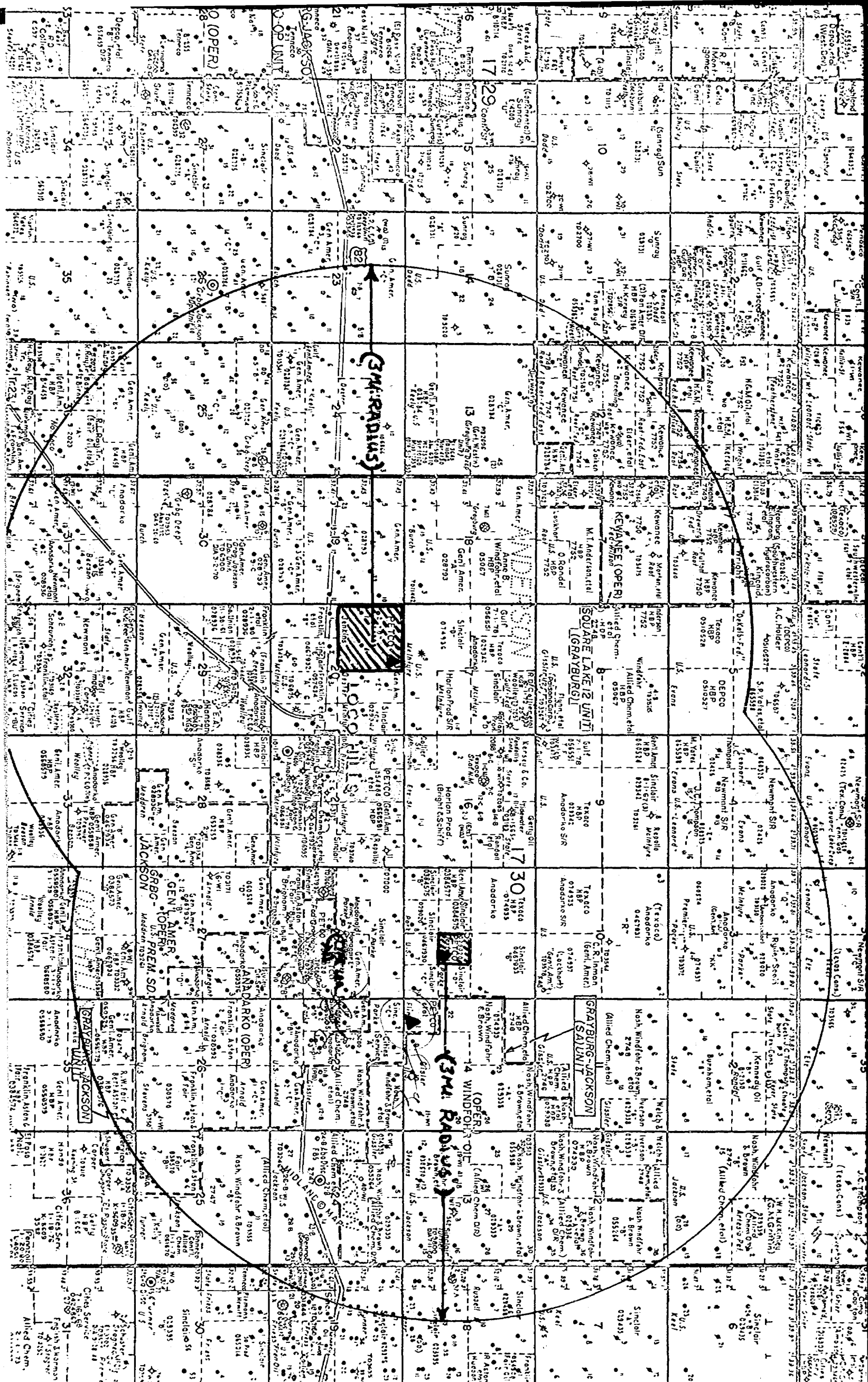
PETROLEUM CORPORATION OF TEXAS

By: Jack M. Campbell

Jack M. Campbell and Olmsted, Cohen &
Bingaman, Attorneys for Applicant
P. O. Box 877
Santa Fe, New Mexico 87501



Case 4689



LOCO HILL, N. MEXICO
 Stratigraphic Section
 Type Log
 DEXTER FEDERAL NO. 1-J
 J, 2310 FSL, 1650 FEL, Sec. 22, T-17S, R-30E
 Eddy County, New Mexico

FORMATION RECORD

FROM	TO	TOTAL FEET	FORMATION
0	50	50	Alluvium with some Red Beds exposed at surface
50	340	290	Red Beds & Anhydrite stringers (Dockum Group)
340	420	80	Anhydrite
420	1155	735	Nearly solid salt w/some Anhydrite & Red Bed streaks
1155	1350	195	Anhydrite, some Red Shale
1350	2300	950	Anhydrite, Red Shale & Sand, & Dolomite
2300	2730	430	Sand, Shale & Anhydrite
2730	3100	370	Dolomite & Sand
3100	4550	1450	Dolomite
4550	6650	2100	Dolomite, Sand, Grn. Shale & Blk. Shale
6650	6900	250	Dolomite & Grn. Shale
6900	6997	97	Reef Dolomite

Cable tools were used from 0 feet to 1415 feet.
 Rotary tools were used from 1415 feet to 6997 feet.

The above Formation Record is based on GR/Neutron-Acoustic, and sample descriptions of the following wells:

- ▲ Dexter No. 1-J, Section 22-17-30, Eddy County, New Mexico (Type log)
- ▲ Dexter No. 1-15, Section 15-17-30, Eddy County, New Mexico T.D. 3511*
- ▲ Dexter No. 3, Section 22-17-30, Eddy County, New Mexico
- ▲ Jenkins No. 3, Section 20-17-30, Eddy County, New Mexico T.D. 3237*
- ▲ Flint "B" No. 1, Section 14-17-30, Eddy County, New Mexico

*GR, or GR/N Log Attached

INDIVIDUAL WELL TEST

DATE	OIL BBL.S.	WATER BBL.S.	STROKE LENGTH OR PUMPING PRESSURE	PUMP OR CHOKE SIZE	S. P. M. OR CASING PRESSURE	REMARKS
3-26-72	3.46	10	28"	2 1/2 x 10'	14	24 hr. test Dexter Fed. 15-#1
3-24	2.24	5.85	28"	2 1/2 x 10'	14	24 hr. test Jenkins B #1
3-29	1	3	28"	2 1/2 x 10'	12	24 hr. test Jenkins B #2 (*2 is pumped twice weekly)
3-25	4.68	trace	26"	2 1/2 x 10'	12	24 hr. test Jenkins B #3
3-27	2.24	trace	28"	2 1/2 x 10'	16	24 hr. test Jenkins B #4
(3 Bbls)						
(19 Bbls) done						

DOWELL DIVISION OF THE DOW CHEMICAL COMPANY

WATER ANALYSIS REPORT

TO: PETROLEUM CORPORATION OF TEXAS
707 MANN
ARTESIA, NEW MEXICO 88210

LABORATORY NO.: H400
DATE: MARCH 15, 1972

WELL NAME + NO.: DEXTER FED 15 DEPTH: 3100 FT
FIELD: FLINT FORMATION: GRAYBURG
COUNTY: EDDY STATE: NEW MEXICO
SAMPLE PT.: SEPERATOR SAMPLE ID: PRODUCED

DISSOLVED SOLIDS

OTHER PROPERTIES

CATIONS	MG/L	MEQ/L	
SODIUM, NA	80232	3482	PH = 6.24
CALCIUM, CA	2400	119	SP GR = 1.147
MAGNESIUM, MG	1216	100	RESISTIVITY = .0000

ANIONS

CHLORIDES, CL	126581	3569
SULFATES, SO4	6000	124
BICARBONATES, HCO3	457	7

THE CALCIUM CARBONATE STABILITY INDEX = 1.17526

THE CALCIUM SULFATE STABILITY INDEX IS 14.41

A NEGATIVE NUMBER INDICATES THE SCALE IN SOLUTION DOES
NOT EXCEED THE SATURATION VALUE AND SHOULD NOT PRECIPITATE.

REMARKS AND RECOMMENDATIONS:

JACK SARFF

DOWELL DIVISION OF THE DOW CHEMICAL COMPANY

WATER ANALYSIS REPORT

TO: PETROLEUM CORPORATION OF TEXAS
707 MANN
ARTESIA, NEW MEXICO 88210

LABORATORY NO.: H401
DATE: MARCH 15, 1972

WELL NAME + NO.: JENKINS B 1 DEPTH: 3100 FT
FIELD: FLINT FORMATION: GRAYBURG
COUNTY: EDDY STATE: NEW MEXICO
SAMPLE PT.: SEPERATOR SAMPLE ID: PRODUCED

DISSOLVED SOLIDS

OTHER PROPERTIES

CATIONS

MG/L

MEQ/L

SODIUM, NA	69891	3033	PH =	6.70
CALCIUM, CA	3200	159	SP GR =	1.129
MAGNESIUM, MG	851	70	RESISTIVITY=	.0000

ANIONS

CHLORIDES, CL	112398	3169
SULFATES, SO4	4200	87
BICARBONATES, HCO3	366	5

THE CALCIUM CARBONATE STABILITY INDEX= 1.65375

THE CALCIUM SULFATE STABILITY INDEX IS 7.34

A NEGATIVE NUMBER INDICATES THE SCALE IN SOLUTION DOES
NOT EXCEED THE SATURATION VALUE AND SHOULD NOT PRECIPITATE.

REMARKS AND RECOMMENDATIONS:

JACK SARFF

DRAFT

GMH/dr

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. 4689

Order No. R-4295

APPLICATION OF PETROLEUM CORPORATION
OF TEXAS FOR AN EXCEPTION TO ORDER
NO. R-3221, AS AMENDED, EDDY COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on May 5, 1972,
at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this day of May, 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, Petroleum Corporation of Texas,
is the owner and operator of certain leases in the Grayburg-
Jackson Pool Field comprising NW/4 SW/4 of
Section 15, and the NW/4 of Section 20, Township 17 South, Range
30 East, NMPM, Eddy County, New Mexico.

(3) That Order (3) of Commission Order No. R-3221, as amended, prohibits in that area encompassed by Lea, Eddy, Chaves, and Roosevelt Counties, New Mexico, the disposal, subject to minor exceptions, of water produced in conjunction with the production of oil or gas, or both, on the surface of the ground, or in any pit, pond, lake, depression, draw, streambed, or arroyo, or in any watercourse, or in any other place or in any manner which would constitute a hazard to any fresh water supplies and said disposal has not previously been prohibited.

(4) That the aforesaid Order No. R-3221 was issued in order to afford reasonable protection against contamination of fresh water supplies designated by the State Engineer through disposal of water produced in conjunction with the production of oil or gas, or both, in unlined surface pits.

(5) That the State Engineer has designated, pursuant to Section 65-3-11 (15), N.M.S.A., 1953 Compilation, all underground water in the State of New Mexico containing 10,000 parts per million or less of dissolved solids as fresh water supplies to be afforded reasonable protection against contamination; except that said designation does not include any water for which there is no present or reasonably foreseeable beneficial use that would be impaired by contamination.

(6) That the applicant seeks an exception to the provisions of the aforesaid Order (3) to permit the disposal of salt water produced by applicant's Dexter Federal ¹⁵ Well No. ¹ ~~1~~, ^{located in unit 5} and all of ~~Jenkins wells Nos. 1, 2, 3, and 4, located in the NW 1/4 of said Section 20~~ its wells located or to be located on said ~~Field lease~~ in unlined surface pits on said leases.

(7) That the applicant has recently completed the Dexter Federal ¹⁵ Well No. ¹ ~~1~~, located 1650 feet from the South line and 1650 feet from the East line of said Section 15 as a producing well in the Grayburg-Jackson Pool, ~~that said well produces approximately _____ barrels of water per day in conjunction with its oil production.~~

(7) That the Dexter Federal Well produces approximately ten barrels of water per day and the four Jenkins wells produce approximately nine barrels of water per day combined.

~~(8) That there is a reasonable probability that the applicant will complete additional wells in the NW/4 of said Section 20.~~

(9) That there appears to be no ^{shallow fresh} water in the vicinity of ~~any of the above described wells~~ the Dexter Federal Well No. 15 of said Section 15 and the NW/4 of said Section 20 for which a present or reasonably foreseeable beneficial use is or will be impaired by contamination from unlined surface pits located ^{in the vicinity of said wells.} ~~on said quarter section.~~

(10) That the applicant should be permitted to utilize unlined surface pits for the disposal of salt water produced by ~~the above described fine wells.~~ its Dexter Federal Well No. 15 located in the

~~of Section 15 and by wells located or to be located in the NW/4 of Section 20, Township 17 South, Range 30 East, NMPM, _____ Field, Eddy County, New Mexico.~~

IT IS THEREFORE ORDERED:

(1) That the applicant, Petroleum Corporation of Texas, is hereby granted an exception to Order (3) of Commission Order No. R-3221, as amended, to dispose of water produced in conjunction with the production of oil or gas, or both, by its Dexter Federal ^{1, located in Unit 37 Section 15 and its Jackson Wells Nos. 11} Well No. ~~15~~ of said Section 15 and wells located or to be located ~~on its lease or leases comprising the NW/4 of Section 20, Township 17 South, Range 30 East, NMPM, Mayburg-Jackson Pool Field, Eddy County, New Mexico, in unlined surface pits located~~ ^{in the vicinity of said wells.} ~~on said lease or leases.~~

(2) That the Secretary-Director of the Commission may by administrative order rescind such authority whenever it reasonably appears to the Secretary-Director that such rescission would serve to protect fresh water supplies from contamination.

(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.

3, and 4 located in the NW/4 of Section 20,

Dexter Fed # 15 Unit 5 Sec 15,
T 17 S R 30 E, Eddy
Grayburg Jackson Pool

Petroleum Corp of Texas

all app. wells in
NW 1/4 Sec. 20, 17-30 Eddy
Exception to R-3221

CASE 4690: Application of SHELL
OIL CO. FOR DOWNHOLE COMMINGLING,
LEA COUNTY, NEW MEXICO.