

CASE 5203: Application of JAKE
L. HAMON FOR SALT WATER DIS-
POSAL, LEA COUNTY.

CASE No.

5203

Application,
Transcripts,
Small Exhibits

ETC.

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
April 10, 1974

EXAMINER HEARING

IN THE MATTER OF:)
)
)

Application of Jake L.)
Hamon for salt water)
disposal, Lea County,)
New Mexico.)
-----)

Case No. 5203

BEFORE: Richard L. Stamets, Examiner.

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the New Mexico Oil
Conservation Commission:

Thomas Derryberry, Esq.
Legal Counsel for the
Commission
State Land Office Building
Santa Fe, New Mexico

For the Applicant:

Clarence Hinkle, Esq.
HINKLE, BONDURANT, COX & EATON
600 Hinkle Building
Roswell, New Mexico

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I N D E X

Motion for Dismissal

Page

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Ruling of Examiner

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MR. STAMETS: Call the next case, 5203.

MR. DERRYBERRY: Case Number 5203, Application of
Jake L. Hamon for salt water disposal, Lea County, New
Mexico.

MR. HINKLE: Clarence Hinkle, Hinkle, Bondurant,
Cox and Eaton, appearing for Jake L. Hamon and I would like
to dismiss this case due to the fact that there has already
been administrative approval.

MR. STAMETS: Case 5203 will be dismissed.

STATE OF NEW MEXICO)

)SS.

COUNTY OF SANTA FE)

I, SIDNEY F. MORRISH, Court Reporter, do hereby certify that the foregoing and attached Transcript of Hearing before the New Mexico Oil Conservation Commission was reported by me, and the same is a true and correct record of the said proceedings, to the best of my knowledge, skill and ability.

SIDNEY F. MORRISH, Court Reporter

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 5203, heard by me on 4-10-27, 1927.

heard by me on 4-10 1977
Richard L. Ham, Examiner
 New Mexico Oil Conservation Commission

THE NYE REPORTING SERVICE
STATE-WIDE DEPOSITION NOTARIES
225 JOHNSON STREET
SANTA FE, NEW MEXICO 87501
TEL. (505) 982-0386



OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO
P. O. BOX 2008 - SANTA FE
87501

I. R. TRUJILLO
CHAIRMAN
LAND COMMISSIONER
ALEX J. ARMUJO
MEMBER
STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

April 16, 1974

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

Re: CASE NO. 5203
ORDER NO. R-4765
Applicant:
Jake L. Hamon

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. 5203
Order No. R-4765

APPLICATION OF JAKE L. HAMON
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 April 10, 1974,
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 16th day of April, 1974, the Commission, a
quorum being present, having considered the record and the
recommendations of the Examiner, and being fully advised in the
premises,

FINDS:

That the applicant's request for dismissal should be granted.

IT IS THEREFORE ORDERED:

That Case No. 5203 is hereby dismissed.

DONE at Santa Fe, New Mexico, on the day and year herein-
above designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

I. R. TRUJILLO, Chairman


Alex J. Arrijo
ALEX J. ARRIJO, Member

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

S E A L

jr/

DOCKET: EXAMINER HEARING - WEDNESDAY - APRIL 10, 1974

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING - SANTA FE, NEW MEXICO

The following cases will be heard before Richard L. Stamets, Examiner, or Daniel S. Nutter, Alternate Examiner:

- ALLOWABLE: (1) Consideration of the allowable production of gas from seventeen prorated pools in Lea, Eddy, Roosevelt, and Chaves Counties, New Mexico, for May, 1974;
- (2) Consideration of the allowable production of gas from five prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico, for May, 1974.

CASE 5201: Application of Mobil Oil Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the S/2 of Section 33, Township 22 South, Range 27 East, South Carlsbad Field, Eddy County, New Mexico, to form a standard 320-acre proration unit to be dedicated to a well to be drilled at a standard location for said unit. Also to be considered will be the cost of drilling and completing said well and the allocation of such costs, as well as actual operating costs and charges for supervision. Also to be considered is the designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 5202: Application of El Paso Natural Gas Company for special pool rules, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special pool rules for the West Sand Dunes-Morrow Gas Pool in Township 23 South, Range 31 East, Eddy County, New Mexico, including a provision for 640-acre spacing.

CASE 5203: Application of Jake L. Hamon for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Devonian formation in the perforated interval from 13,230 feet to 13,320 feet in his Getty State L-736 Well No. 1 located in Unit D of Section 32, Township 16 South, Range 36 East, East Shoe Bar-Devonian Pool, Lea County, New Mexico.

CASE 4790: (Reopened)

In the matter of Case No. 4790 being reopened pursuant to the provisions of Order No. R-4370, which order established temporary rules for the Dublin-Ellenburger Gas Pool, Lea County, New Mexico, including a provision for 640-acre spacing. All interested parties may appear and show cause why said pool should not be developed on 320-acre spacing units.

- CASE 5204: Application of Cities Service Oil Company for a dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Government T Well No. 1 located in Unit C of Section 14, Township 20 South, Range 28 East, Russell Field, Eddy County, New Mexico, in such a manner as to produce gas from the Wolfcamp and Morrow formations through the casing-tubing annulus and tubing, respectively.
- CASE 5205: Application of Cities Service Oil Company for a dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Paslay "A" Com Well No. 1 located in Unit K of Section 8, Township 22 South, Range 27 East, Eddy County, New Mexico, to produce gas from undesignated Strawn and Morrow gas pools through the casing-tubing annulus and tubing, respectively.
- CASE 5211: Application of Cities Service Oil Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the W/2 of Section 8, Township 22 South, Range 27 East, South Carlsbad Field, Eddy County, New Mexico, to be dedicated to its Paslay Well No. 1, located in Unit K of said Section 8. Also to be considered will be the cost of drilling and completing said well and the allocation of such costs, as well as actual operating costs and charges for supervision. Also to be considered is the designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 5212: Application of Cities Service Oil Company for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Citgo Empire-Abo Unit Area comprising 361 acres, more or less, of Federal and State lands in Townships 17 and 18 South, Range 27 East, Empire-Abo Pool, Eddy County, New Mexico.
- CASE 5213: Application of Cities Service Oil Company for a pressure maintenance project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a pressure maintenance project on its Citgo Empire-Abo Unit, Empire-Abo Pool, Eddy County, New Mexico, by the injection of gas into the Abo formation through a well to be drilled at an unorthodox location 990 feet from the South line and 2635 feet from the East line of Section 35, Township 17 South, Range 27 East. Applicant further seeks the establishment of special rules for said pressure maintenance project including a provision for the operation of the project under a net GOR rule and the establishment of a gas injection credit "bank" against which injection credit could be drawn in order to maintain full allowables during such times as injection plant shut-downs, etc.

- CASE 5206: Application of Continental Oil Company for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle West Warren-Blinbry and East Skaggs-Drinkard production in the wellbore of its SEMU Burger Well No. 21 located in Unit 0 of Section 19, Township 20 South, Range 38 East, Lea County, New Mexico.
- CASE 5207: Application of Craig Folsom for a non-standard proration unit and compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests underlying a non-standard oil proration unit comprising the SW/4 NE/4 SE/4, NW/4 SE/4 SE/4, NE/4 SW/4 SE/4, and the SE/4 NW/4 SE/4 of Section 12, Township 13 South, Range 31 East, Caprock-Queen Pool, Chaves County, New Mexico, to be dedicated to a well to be drilled at an unorthodox location 1340 feet from the South line and 1300 feet from the East line of said Section 12, said location having been previously been approved by Order No. R-4750. Also to be considered will be the cost of drilling and completing said well and the allocation of such costs, as well as actual operating costs and charges for supervision. Also to be considered is the designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 5208: Application of S. P. Yates for an exception to Order No. R-3221, as amended, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks, as an exception to Order No. R-3221, as amended, authority to dispose of produced salt water in an unlined surface pit on its Federal LC 065598 lease in the SW/4 SW/4 of Section 4, and the NE/4 of Section 5, Township 17 South, Range 30 East, Square Lake Pool, Eddy County, New Mexico.
- CASE 5209: Application of Union Oil Company of California for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Estacado Unit Area comprising 1280 acres, more or less, of State and fee lands in Township 14 South, Range 35 East, Lea County, New Mexico.
- CASE 5210: In the matter of the application of the Oil Conservation Commission on its own motion for the contraction of the House-Tubb Gas Pool by the deletion of all of Section 12, Township 20 South, Range 38 East, Lea County, New Mexico, and the creation of the East House-Tubb Oil Pool comprising all of the NW/4 of said Section 12.
- CASE 5214: Application of Inexco Oil Company for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Robb Spring Unit Area comprising 6402 acres, more or less, of State, Federal, and fee lands in Townships 23 and 24 South, Range 25 East, Eddy County, New Mexico.
- CASE 5215: Application of Morris R. Antweil for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order

Examiner Hearing - Wednesday - April 10, 1974

Docket No. 9-74

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(Case 5215 continued from Page 3)

pooling all mineral interests in the Pennsylvanian formation underlying the S/2 of Section 17, Township 22 South, Range 27 East, South Carlsbad Field, Eddy County, New Mexico, to be dedicated to a well to be drilled at a standard location for said unit. Also to be considered will be the cost of drilling and completing said well and the allocation of such costs, as well as actual operating costs and charges for supervision. Also to be considered is the designation of applicant as operator of the well and a charge for risk involved in drilling said well.

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.
ANDREW ALLEN

LAW OFFICES
HINKLE, BONDURANT, COX & EATON

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ROSWELL, NEW MEXICO 86201

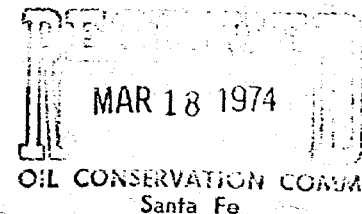
March 14, 1974

TELEPHONE (505) 622-6510

MIDLAND, TEXAS OFFICE
521 MIDLAND TOWER
(915) 683-4691

Case 5-203

Oil Conservation Commission
Box 2088
Santa Fe, New Mexico 87501



Gentlemen:

We enclose herewith in triplicate application of Jake L. Hamon for approval of the conversion of the Getty State L-736 No. 1 well for water disposal into the Devonian formation.

The application refers to an electrical log of the proposed injection well. This was not available, but we will send you this to be filed within the next few days. Please do not hold up the application on this account.

We would like to have this included on the first examiner's hearing in April, if possible.

Yours very truly,

HINKLE, BONDURANT, COX & EATON

By 

CEH:Cs
Enc.

DOCKET MAILED

Date 3-29-74

BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

APPLICATION OF JAKE L. HAMON FOR
APPROVAL OF THE CONVERSION OF THE
GETTY STATE L-736 NO. 1 WELL
LOCATED IN UNIT D 550 FEET FROM
THE NORTH AND WEST LINES OF SECTION
32, TOWNSHIP 16 SOUTH, RANGE 36 EAST,
N.M.P.M. FOR WATER DISPOSAL INTO THE
DEVONIAN FORMATION. APPLICANT PRO-
POSES TO DISPOSE OF PRODUCED WATER
FROM THE SHOE BAR EAST DEVONIAN POOL
THROUGH PERFORATIONS FROM 13,230
FEET TO 13,320 FEET.

5750
MAR 18 1974
OIL CONSERVATION COMMISSION
Santa Fe

Case 5203

Oil Conservation Commission
Box 2088
Santa Fe, New Mexico 87501

Comes Jake L. Hamon and hereby makes application for approval of the conversion of the Getty State L-736 No. 1 well located in Unit D, 550 feet from the north and west lines of Section 32, Township 16 South, Range 36 East, N.M.P.M. for water disposal into the Devonian formation. Applicant proposes to dispose of produced water from the Shoe Bar East Devonian Pool through perforations from 13,230 feet to 13,320 feet, and in support thereof respectfully shows:

1. Applicant owns and operates 5 wells in the Shoe Bar East Devonian Pool and is acquiring from Getty Oil Company, subject to approval for the use as a disposal well, the Getty State L-736 No. 1 well referred to above.

2. There is attached as Exhibit "A", a plat showing the Shoe Bar East Devonian Pool and the wells which have been drilled therein and the location of the proposed injection well and the ownership of all leasehold interests within a radius of 2 miles thereof.

3. There is also filed herewith an electrical log of the proposed injection well.

4. There is attached hereto as Exhibit "B" a diagrammatic sketch of the proposed injection well showing all casing strings, including diameters and setting depths, quantities used and tops of cement, perforated and open hole intervals, tubing strings including diameters and setting depths, and type and location of packer.

5. It is proposed to deepen the injection well referred to herein and to run and cement 2 7/8" liner from 12,800 feet to 13,320 feet and to perforate from 13,230 feet to 13,320 feet, which will be below the producing horizon in the Shoe Bar East Devonian Pool.

6. Applicant anticipates that there will be a minimum of 100 barrels and a maximum of 1500 barrels of water disposed of per day.

7. Applicant believes that the deepening of the Getty State L-736 No. 1 well and the conversion thereof to a water disposal well as outlined above will be in the interest of conservation, prevention of waste and will tend to protect correlative rights.

8. Applicant requests that this matter be heard before an examiner at the earliest possible time.

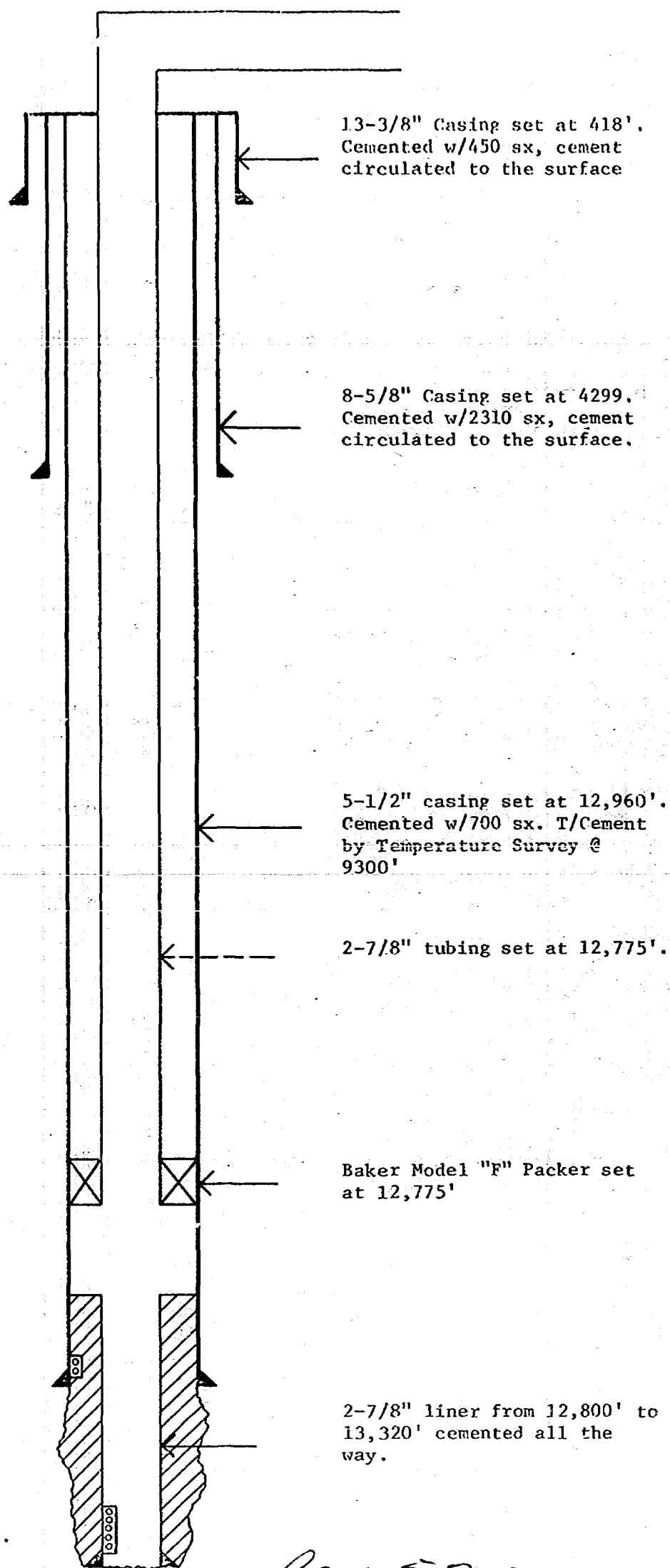
Respectfully submitted,

JAKE L. HAMON

By 

HINKLE, BONDURANT, COX & EATON
Box 10
Roswell, New Mexico 88201
Attorneys for Applicant

Diagrammatic Sketch of
Proposed Completion of
State I-736 No. 1 for
Salt Water Disposal.
Section 32, T-16-S, R-
38-E, Lea County,
New Mexico



Case 5-203

February 26, 1974

EXHIBIT "B"

DRAFT

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. 5203

Order No. R-4765

APPLICATION OF JAKE L. HAMON
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 April 10, 1974,
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this day of April, 1974, the Commission,
a quorum being present, having considered the record and the recom-
mendations of the Examiner, and being fully advised in the premises,

FINDS:

That the applicant's request for dismissal should be
granted.

IT IS THEREFORE ORDERED:

That Case No. 5203 is hereby dismissed.

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