

CASE 5612: DALPORT OIL CORP. FOR
EXCEPTION TO THE PROVISIONS OF
ORDER NO. R-3221, CHAVES COUNTY

CASE NO.

5612

APPLICATION,
TRANSCRIPTS,
SMALL EXHIBITS,

ETC.

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
January 7, 1976

EXAMINER HEARING

IN THE MATTER OF:

Application of Dalport Oil Corporation
for exception to the provisions of
Order No. R-3221, Chaves County,
New Mexico.

CASE
5612

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:

William F. Carr, Esq.
Legal Counsel for the Commission
State Land Office Building
Santa Fe, New Mexico

For the Applicant:

Sim B. Christy, IV, Esq.
JENNINGS, CHRISTY & COPPLE
Attorneys at Law
1012 Security National Bank Bldg
Roswell, New Mexico

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General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
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1 MR. STAMETS: We will call Case 5612.

2 MR. CARR: Case 5612, application of Dalport Oil
3 Corporation for exception to the provisions of Order No.
4 R-3221, Chaves County, New Mexico.

5 MR. CHRISTY: Sim Christy, Jennings, Christy and
6 Copple, Roswell, New Mexico. We have one witness, Mr. Examiner.

7 (THEREUPON, the witness was duly sworn.)

8 MR. CHRISTY: If it is satisfactory to the Examiner
9 I will re-mark the exhibits after the case.

10 LEON LAMPERT

11 called as a witness, having been first duly sworn, was
12 examined and testified as follows:

13
14 DIRECT EXAMINATION

15 BY MR. CHRISTY:

16 Q Would you please state your name, address, by whom
17 you are employed and in what capacity?

18 A Leon Lampert, Dalport Oil Corporation, Corpus Christi,
19 Texas.

20 Q Mr. Lampert, are you familiar with the application
21 in Case 5612 and what is sought by it?

22 A Yes, sir.

23 Q Are you familiar with the wells in the general area
24 of the application and their producing characteristics?

25 A I am.

1 Q Briefly tell the Examiner what is sought by the
2 application?

3 A Dalport drilled its Number 3 State C in Section 16
4 of 15 South, 30 East.

5 Q At this point you may wish to refer to what has
6 been marked as Applicant's Exhibit A and is that well depicted
7 on that exhibit?

8 A Yes.

9 Q Go right ahead.

10 A We completed it in December of 1975 for twelve
11 barrels of oil and seventy-five barrels of water a day.

12 Q What formation?

13 A Out of the Queen at twenty-three hundred feet.

14 Q All right, sir.

15 A And we are putting the water into a pit next to
16 our tank battery which is in location D of the same section
17 and we want to continue putting the water into this same pit,
18 which is an unlined pit.

19 Q About what size is this pit?

20 A It is approximately twelve by twenty, it's not a
21 very large pit, it's approximately twelve by twenty.

22 Q Is there any produced water being presently
23 disposed of in the pit?

24 A Yes, sir, the 1 and 2 wells make about a barrel a
25 day each and plus this water from the Number 3.

1 Q By the way, have you previously obtained authority
2 to dispose the Number 1 and 2 wells into the pit?

3 A We are not making an excess of water so we are
4 just putting that one barrel a day in.

5 Q I see. Now, your exhibit indicates that the salt
6 water being produced from the Number 3 well is about seventy-
7 five barrels. Could you explain that a little further,
8 please?

9 A At the time I made these maps it was seventy-five
10 barrels and we tested the well January 1st and January 2nd
11 and we found that the water is sixty-three barrels a day and
12 the oil has come up, the oil has doubled.

13 Q So that I understand if the application is granted
14 the total amount put into the pit would be less than seventy
15 barrels?

16 A Yes, about sixty-four or five barrels a day.

17 Q Are there any fresh water wells in the area, and
18 you might want to refer to Exhibit B?

19 A Exhibit B shows in yellow the actual fresh water
20 wells within, say, fifteen miles and there are none in the
21 area. The direction of water flow taken from a Bureau of
22 Mines bulletin, is to the south and to the southwest. This
23 is the fresh water flow. But we have no fresh water tanks,
24 no fresh water wells within three-and-a-half miles. The
25 nearest would be to the southeast of us in Section 25 of 15

1 South, 30. The one in the lower right is the closest well.
2 As another item, none of the wells are really very good, they
3 are just barely cattle producing wells.

4 Q But again, the flow of your water would not be
5 towards those wells?

6 A Right, it would be to the south and southwest and
7 wouldn't be close to any of those wells.

8 Q Do you have a log on the well in question?

9 A Yes, sir, that's Exhibit C, one and two. The log
10 C-one is a log of the Number 2 State C, which is the well
11 adjacent to the pit and it shows where some water was found
12 in some cable tools wells nearby.

13 Q At about what depth is that?

14 A At around four hundred and ninety or five hundred
15 feet.

16 Q Do you know whether or not that is salt or fresh
17 water?

18 A We're not positive. We consider it as salt water.

19 Q Because of the depth?

20 A Because of the depth and we're just calling it water
21 we're just assuming that it is salt water.

22 Q And what is Exhibit C-Two?

23 A C-two is another well nearby, showing the zone that
24 the water came from, that's that McClellan Number 1-17 in the
25 northeast-northeast of Section 17 where they recovered two-

1 and-a-half bailers an hour of water.

2 Q At about what depth?

3 A At four eighty to four eighty-seven.

4 Q Do you know whether that's fresh or salt water?

5 A We are really not sure. It's right above the Rustler.

6 The Rustler in that well is six hundred feet and this water
7 was at four eighty, so it's in the red bed section above the
8 Rustler and we are just assuming that it is salt water.

9 Q Do you think that's a reasonable assumption?

10 A Yes, I sure do. The fresh water, according to the
11 ranchers in the area is located on that Exhibit Two at one
12 hundred to one hundred and twenty-five to one hundred and
13 thirty feet.

14 Q Do you have an opinion as to whether or not the
15 granting of the application in this case would prevent
16 waste without violating the correlative rights of any
17 interested party?

18 A It would enable us to produce approximately twenty-
19 one to twenty-four barrels of oil a day without a considerable
20 expense that would be involved in trucking water out of a
21 tank.

22 Q I, therefore, gather that it would prevent waste by
23 the granting of this application?

24 A Yes, it sure would.

25 Q Were Exhibits One and Two prepared by you or under

1 your direct supervision?

2 A. Yes, sir.

3 MR. CHRISTY: That's all.

4
5 CROSS EXAMINATION

6 BY MR. STAMETS:

7 Q Mr. Lampert, do you know what the depth of the water
8 is on that well that is labeled Pine Tree well?

9 A. Which exhibit is that?

10 Q Exhibit B.

11 A. No, sir, that's the only well -- when I contacted
12 the rancher for a previous hearing -- it's the only well that
13 he did not mention or did not discuss on this plat. I sent
14 him this plat and I asked him to write down the depths and I
15 have all the depths of all the wells. That's the only one
16 that's not listed but every other well in there is like
17 between one hundred and one hundred and fifty feet deep. And
18 so since we are putting water into the surface, I just don't
19 know how we can affect any fresh water in the area. Fresh
20 water is very scarce in the area.

21 Q Mr. Lampert, I wish you would make another attempt
22 to determine what the depth of the water on the Pine Tree well
23 is, as well as the surface elevation of the same?

24 A. Well, the surface elevation, that's the cap, right
25 adjacent to the cap and the topography is dipping west. It's

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1 a higher elevation there than where we are at the well we
 2 drilled. The elevation at the drill site is four thousand,
 3 fifty-seven and the elevations rise going toward that cap,
 4 so that well would be at a higher elevation.

5 Q Okay, if you can determine that from the topo sheet
 6 that will be helpful as well.

7 A I will try. There is no topo sheet on that area.
 8 I tried to get that and it stops over in fifteen, twenty-nine,
 9 unless the USGS or somebody has one that I don't know about.

10 But I do know for a fact, from just the other dry
 11 holes through that country that the elevations are rising
 12 toward that cap and once they hit the cap it goes to forty-
 13 two, forty-three hundred, I believe.

14 Q I believe a waterflood project is planned in the
 15 Double L Queen pool, has any consideration been given to
 16 eventually piping this water over there for use as injection
 17 water?

18 A No, sir. Are you talking about these Rash wells?

19 Q No, from the salt water being produced with the
 20 oil from the Number 3 well.

21 A Oh, no, there has been no consideration of that
 22 at all.

23 Q Would that be a practical alternative?

24 A I don't think so because there is not enough volume
 25 of salt water that has been produced. I think that later on

1 in another case you will find that they probably need five
2 hundred or a thousand barrels a day for the flood and I know
3 we don't have the volume in that one well and we have no other
4 leases in the area that make any appreciable water so I don't
5 think there would be a source of water there.

6 Q If you were to drill a dry hole adjacent to this
7 well, would that be an alternative?

8 A You mean for disposal?

9 Q Yes.

10 A It would be a thirty-five or forty thousand dollar
11 alternative, yes, sir. It would cost thirty-thousand dry
12 and then with the completion and the injection I would say it
13 would be another twenty. It would be almost like a pumping
14 well, it would be about fifty-five thousand dollars for
15 disposing of that water on a twenty or twenty-three barrel
16 oil well, which I know we wouldn't do. Of course, sometimes
17 they don't listen to the geologist but I'm pretty sure that
18 I would not recommend spending that kind of money for it.

19 MR. STAMETS: Any other questions of this witness?

20 He may be excused.

21 (THEREUPON, the witness was excused.)

22 MR. CHRISTY: I offer into evidence Applicant's
23 Exhibits A, B, C-1 and C-2.

24 MR. STAMETS: These exhibits will be admitted into
25 evidence.

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(THEREUPON, Applicant's Exhibits A, B,
C-1 and C-2 were admitted into evidence.)

MR. STAMETS: Anything further in this case?

MR. CHRISTY: We will advise the Examiner as quickly
as possible of the depth of the Pine Tree Well and the
elevation.

That's all we have.

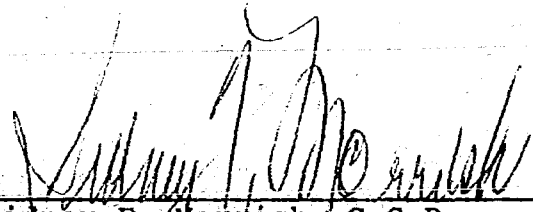
MR. STAMETS: The case will be taken under advisement.

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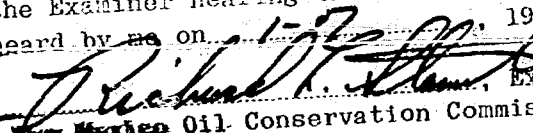
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REPORTER'S CERTIFICATE

I, SIDNEY F. MORRISH, a Certified Shorthand 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, C.S.R.

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 5612
heard by me on 1-7-76, 1976.


Richard T. Stamm, Examiner
New Mexico Oil Conservation Commission

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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:

Dalport Oil Corporation

APPLICATION OF *S. P. YATES* FOR
AN EXCEPTION TO ORDER NO. R-3221,
AS AMENDED, *Chaves* COUNTY, NEW MEXICO.

5612
CASE NO. ~~5200~~
Order No. ~~R-4736~~
R-5154

ORDER OF THE COMMISSION

BY THE COMMISSION:

RSR
This cause came on for hearing at 9 a.m. on *January 7, 1976* ~~May 8, 1974~~,
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this ~~21st~~ *January* day of ~~May~~ *1976*, 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, Dalport Oil Corporation, is the owner and operator
of the State C Wells Nos. 1, 2, and 3, located in Units D, E, and L, respec-
tively, of Section 16, Township 15 South, Range 30 East, NMPM, Double-L Queen
Associated Pool, Chaves County, New Mexico.

~~arroyo, or in any watercourse, or in any other place or in any~~
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 as an exception to the provisions of the aforesaid Order (3) to permit the disposal of salt water produced by applicant's ~~wells on said Federal LC 065598 lease in an unlined pit on said lease located in Unit E of said Section 16.~~ *into* ~~into~~ *produce approximately*

(7) That applicant's wells on said lease ~~have been shut in and the volume of water expected to be produced from said wells cannot be accurately estimated.~~ *65 barrels of water per day.*

(8) That there appears to be no shallow fresh water in the vicinity of the subject pit for which a present or reasonably foreseeable beneficial use is or will be made that would be impaired by contamination from the subject pit.

(9) That the applicant should be permitted to dispose of water produced by wells on the above-described lease in an unlined surface pit located on said lease.

(10) That tests should be conducted periodically upon resumption of production from the wells on said lease to determine actual water production volumes.

IT IS THEREFORE ORDERED:

(1) That the applicant, *Dalport Oil Corporation,* ~~S. P. Yates,~~ 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, from wells located on his Federal

its State C Wells Nos. 1, 2, and 3, located in Units D, E, and L, respectively, of Section 16, Township 15 South, Range 30 East, Double-L Queen Associated Pool, Chaves County, New Mexico, in an unlined surface pit located in Unit E of said Section 16.

sufficient time to witness such production tests.

(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.

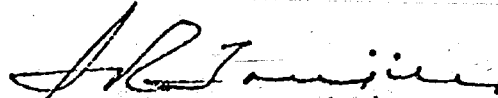
-3-

CASE NO. 5208
Order No. R-4786

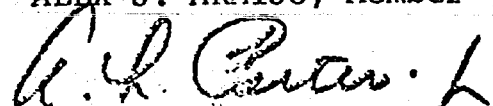
³₍₁₄₎ That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

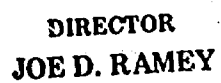

I. R. TRUJILLO, Chairman

ALEX J. ARMIJO, Member


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

S E A L

jr/



OIL CONSERVATION COMMISSION

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

**LAND COMMISSIONER
PHIL R. LUCERO**



STATE GEOLOGIST
EMERY C. ARNOLD

Re: CASE NO. 5612
ORDER NO. R-5154

Mr. Sim Christy
Jennings, Christy & Copple
Attorneys at Law
Post Office Box 1180
Roswell, New Mexico 88201

Applicant:

Dalport Oil Corporation

Dear Sir:

Enclosed herewith are two copies of the above-referenced Commission order recently entered in the subject case.

Yours very truly,

JOE D. RAMEY
Director

JDR/fd

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. 5612
Order No. R-5154

APPLICATION OF DALPORT OIL CORPORATION
FOR AN EXCEPTION TO ORDER NO. R-3221,
AS AMENDED, CHAVES COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on January 7, 1976,
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 14th day of January, 1976, 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, Dalport Oil Corporation, is the
owner and operator of the State C Wells Nos. 1, 2, and 3, located
in Units D, E, and L, respectively, of Section 16, Township 15
South, Range 30 East, NMPM, Double-L Queen Associated Pool,
Chaves 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.

-2-

Case No. 5612

Order No. R-5154

(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 as an exception to the provisions of the aforesaid Order (3) to permit the disposal of salt water produced by applicant's above-described wells into an unlined surface pit located in Unit E of said Section 16.

(7) That applicant's wells on said lease produce approximately 65 barrels of water per day.

(8) That there appears to be no shallow fresh water in the vicinity of the subject pit for which a present or reasonably foreseeable beneficial use is or will be made that would be impaired by contamination from the subject pit.

(9) That the applicant should be permitted to dispose of water produced by wells on the above-described lease in an unlined surface pit located on said lease.

IT IS THEREFORE ORDERED:

(1) That the applicant, Dalport Oil Corporation, 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, from its State C Wells Nos. 1, 2, and 3, located in Units D, E, and L, respectively, of Section 16, Township 15 South, Range 30 East, Double-L Queen Associated Pool, Chaves County, New Mexico, in an unlined surface pit located in Unit E of said Section 16.

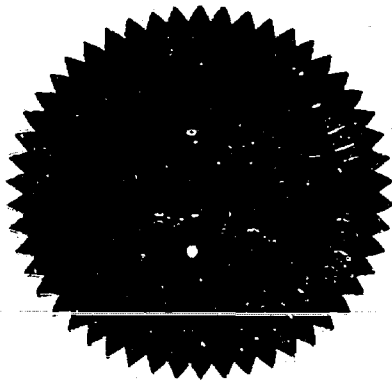
(2) That the Secretary-Director of the Commission may by administrative order rescind such authority whenever it reasonably appears to the Secretary-Director that such rescission would serve to protect fresh water supplies from contamination.

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

-3-
Case No. 5612
Order No. R-5154

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



PHIL R. LUCERO, Chairman

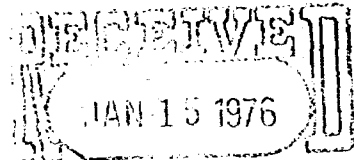
Emery C. Arnold
EMERY C. ARNOLD, Member

Joe D. Ramby
JOE D. RAMBY, Member & Secretary

S E A L

dr/

DALPORT OIL CORPORATION
1134 THE 600 BUILDING
CORPUS CHRISTI, TEXAS 78401



NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe
CODE 512-882-7863

January 12, 1976

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

Attention: Mr. Dick Stamets

Re: NMOCC Case 5612
Chaves County, New Mexico

Gentlemen:

At the hearing held on January 7, 1976, you requested that I determine the status of the Pine Tree water well shown on Exhibit "B" in Section 25, 15 South 30 East.

I spoke to the Bogle Ranch foreman, who said that this is not a producing well, but rather it is a surface tank storing water that is piped from the top of the cap down to the tank. He added that fresh water is extremely scarce in the 15 South 30 East area, as they drilled a water test about a mile south of Burro Lake tank (Exhibit "B", Section 16) to a depth of 300 feet without encountering any fresh water. As you can see in Exhibit B, there is no fresh water in 15S-30E and southward.

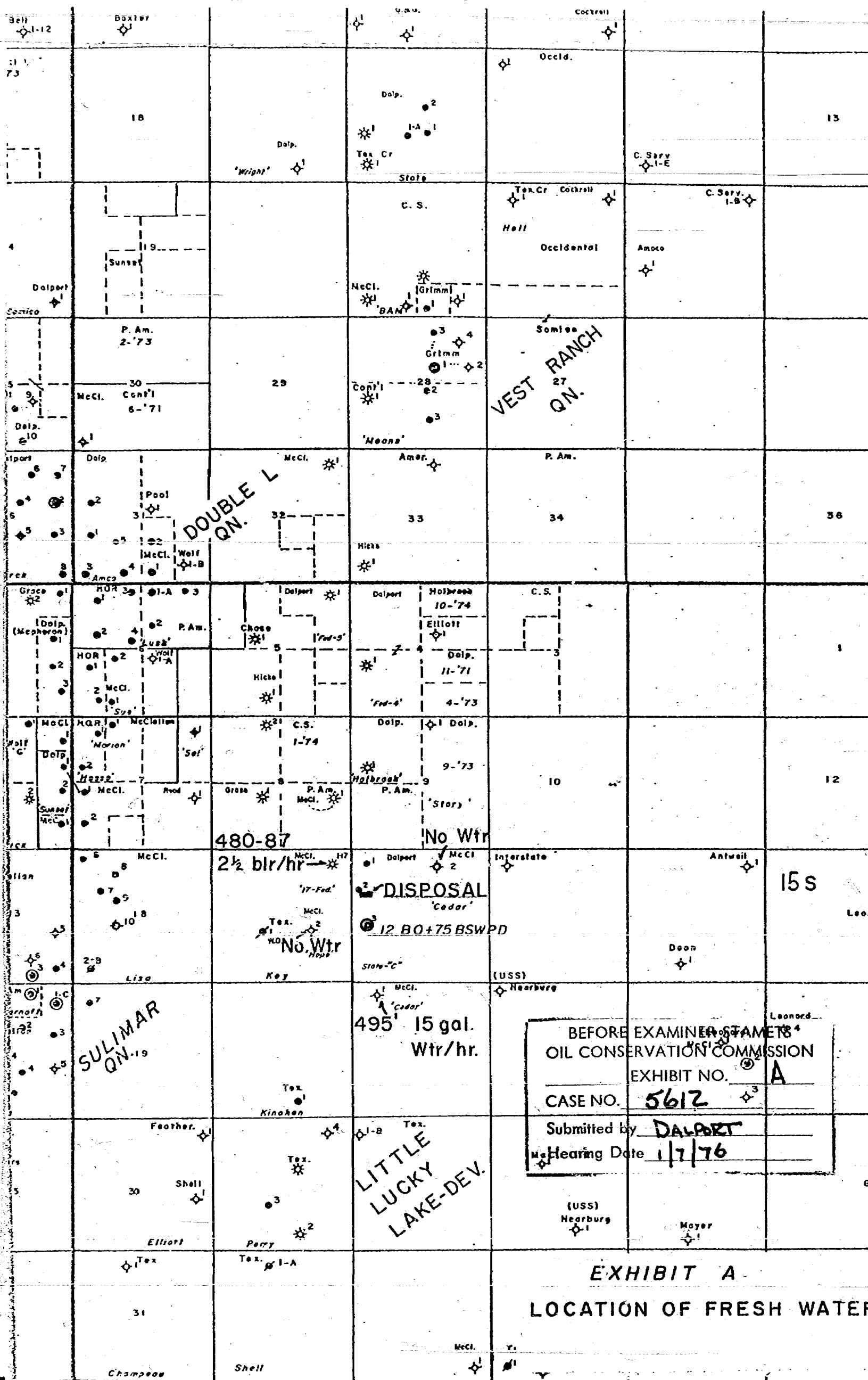
If I can provide any additional information, please contact me.

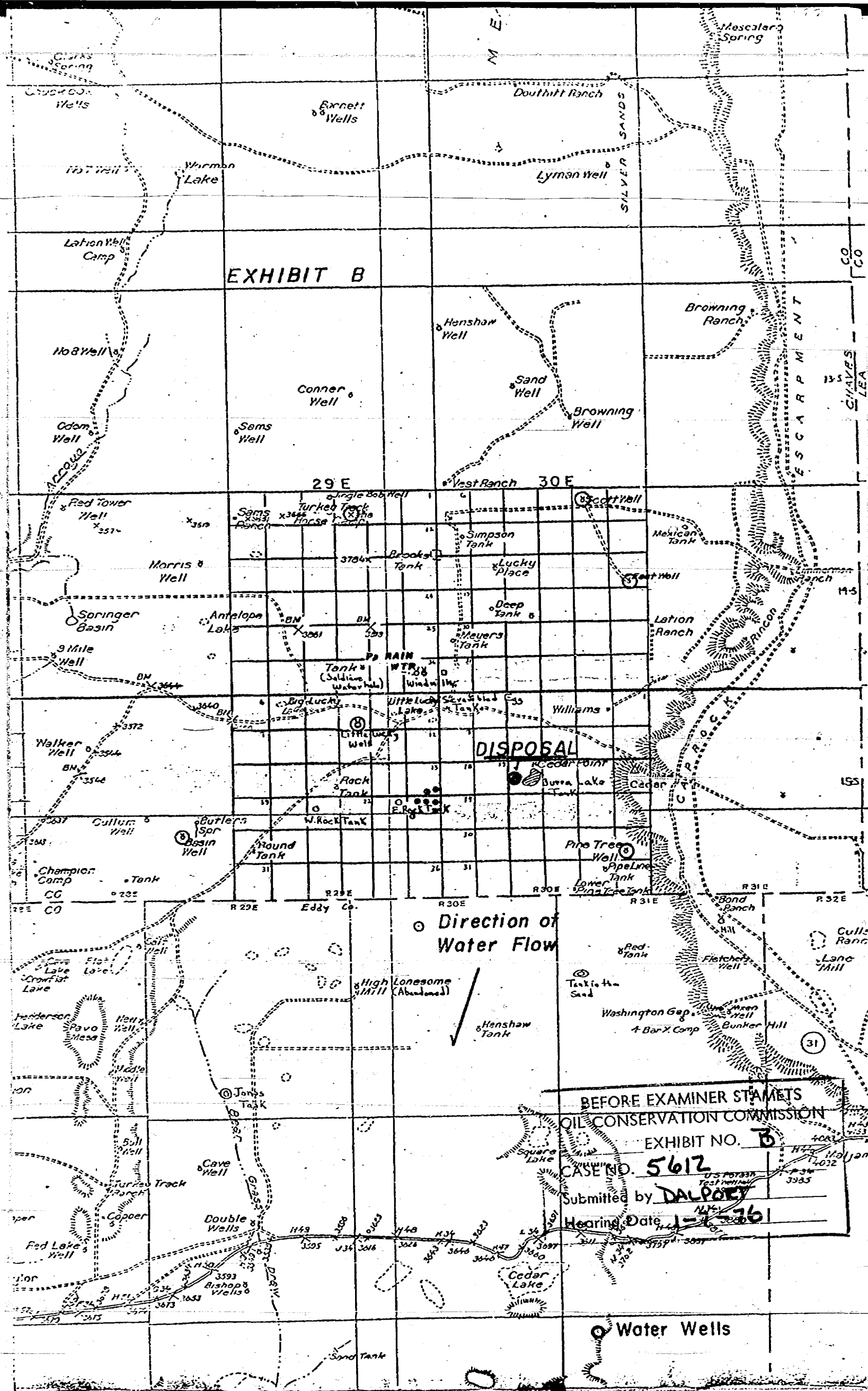
Very truly yours,

Leon M. Lampert
Leon M. Lampert

LML/jb

cc: Mr. Sim Christy
P.O. Box 1180
Roswell, New Mexico 88201





Docket No. 1-76

Dockets Nos. 2-76 and 3-76 are tentatively set for hearing on January 14 and January 21, 1976. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - JANUARY 7, 1976

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. Stazets, Examiner or Daniel S. Nutter, Alternate Examiner:

- CASE 5600: Application of Champlin Petroleum Company for special pool rules, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special pool rules for the East Carlsbad-Wolfcamp Gas Pool, Eddy County, New Mexico, including a provision for 320-acre spacing.
- CASE 5601: Application of Consolidated Oil & Gas, Inc. for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval to commingle Tapacito-Pictured Cliffs and Basin-Dakota gas production in the wellbore of its Tribal "C" Well No. 10-7, located in Unit J of Section 7, Township 26 North, Range 3 West, Rio Arriba County, New Mexico.
- CASE 5602: Application of Consolidated Oil & Gas, Inc. for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle Fulcher Kutz-Pictured Cliffs and Aztec-Fruitland gas production in the wellbore of its Collins Well No. 1, Manley Well No. 1, and Walz Well No. 1, located, respectively, in Units E, P, and L of Section 31, Township 29 North, Range 10 West, San Juan County, New Mexico.
- CASE 5603: Application of Burleson and Huff for compulsory pooling, a non-standard gas proration unit, and an unorthodox location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Jolmat Gas Pool underlying the NW/4 of Section 35, Township 25 South, Range 37 East, Lea County, New Mexico, to form a non-standard 160-acre proration unit; applicant further seeks the pooling of all mineral interests in the Langlie-Mattix Pool underlying each of the following tracts in said Section 35 to form three standard 40-acre proration units: the NE/4 NW/4, to be dedicated to applicant's Dabbs Well No. 1, located 330 feet from the North line and 2310 feet from the West line of said Section 35; the SE/4 NW/4, to be dedicated to applicant's Dabbs Well No. 3, located 1980 feet from the North and West lines of said Section 35; and the SW/4 NW/4, to be dedicated to a well to be drilled on said tract at a standard Langlie-Mattix Pool location. In the event re-entry into either the Dabbs Well No. 1 or No. 3 is unsuccessful, applicant proposes to drill a replacement well at a standard location on its tract. Applicant further proposes to dedicate the 160-acre Jolmat proration unit to one of the three above-described wells, and in the event it should be the Dabbs Well No. 1, applicant seeks approval for the unorthodox Jolmat location for said well. Also to be considered will be the cost of re-entering, drilling, and completing said wells and the allocation of such costs as well as actual operating costs and charges for supervision. Also to be considered will be the designation of the applicant as operator of the wells and a charge for the risk involved in re-entering, drilling, and completing said wells.
- CASE 5604: Application of Burleson & Huff for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in the Querecho Plains-Queen Pool by the injection of water into the Queen formation through its Anadarko Federal Well No. 6 to be drilled at an unorthodox location in the approximate center of the SW/4 of Section 27, Township 18 South, Range 32 East, Lea County, New Mexico. Applicant further seeks an administrative procedure for approval of additional wells at standard and non-standard locations within the project area.
- CASE 5605: Application of Saguaro Oil Company for special pool rules, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special pool rules for the Table Mesa-Dakota Oil Pool, San Juan County, New Mexico, including a provision for 2 1/2-acre spacing.
- CASE 5606: Application of Cities Service Oil Company for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval to commingle Tubb and Drinkard production in the wellbore of its Brunson B Well No. 3, located in Unit M of Section 3, Township 22 South, Range 27 East, Lea County, New Mexico.
- CASE 5607: Application of Black River Corporation for an unorthodox oil well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to drill an undesignated Canyon formation well at an unorthodox location 280 feet from the South line and 150 feet from the West line of Section 33, Township 25 South, Range 24 East, Eddy County, New Mexico.
- CASE 5608: Application of Northern Natural Gas Company for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Magruder Hill Unit Area comprising 2,255 acres, more or less, of Federal, State, and fee lands in Township 22 South, Range 25 and 26 East, Eddy County, New Mexico.
- CASE 5609: Application of Yates Petroleum Corporation for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Nellor "EO" Well to be drilled at a point 1980 feet from the North line and 660 feet from the West line or in the alternative, 660 feet from the North and West lines of Section 30, Township 17 South, Range 26 East, Eddy County, New Mexico, the N/2 of said Section 30 to be dedicated to the well.
- CASE 5610: Application of Yates Petroleum Corporation for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Caskey "EV" Well to be drilled at a point 660 feet from the South line and 1400 feet from the West line of Section 30, Township 17 South, Range 26 East, Eddy County, New Mexico, the S/2 of said Section 30 to be dedicated to the well.
- CASE 5611: Application of David C. Collier for an unorthodox oil well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of his Welch State No. 7 Well located 1330 feet from the South and West lines of Section 17, Township 18 South, Range 28 East, Artesia Pool, Eddy County, New Mexico, said well having formerly been a water injection well.
- CASE 5612: Application of Dalport Oil Corporation for exception to the provisions of Order No. R-3221, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks as an exception to the provisions of Commission Order No. R-3221 permission to dispose of produced salt water from its State C Wells Nos. 1, 2, and 3, located in Units D, E, and L, respectively, of Section 16, Township 15 South, Range 30 East, Double L Queen Associated Pool, Chaves County, New Mexico, in an unlined surface pit located in Unit E of said Section 16.
- CASE 5596: (Reopened & Readvertised)
- Application of Burk Royalty Company for statutory unitization, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order unitizing, for the purpose of secondary recovery, all mineral interests in the Queen formation underlying the following-described lands, Double L-Queen Pool, Chaves County, New Mexico:

Examiner Hearing - Wednesday - January 7, 1976

Docket No. 1-76
-2-

TOWNSHIP 14 SOUTH, RANGE 29 EAST, NMPM

Section 23: E/2 SE/4

Section 24: W/2 SW/4

Section 25: NW/4, SW/4 NE/4, N/2 SW/4, SE/4 SW/4, W/2 SE/4, & SE/4 SE/4

Section 36: NE/4 NW/4, NE/4, N/2 SE/4, & SE/4 SE/4

TOWNSHIP 14 SOUTH, RANGE 30 EAST, NMPM

Section 31: W/2, W/2 SE/4, & SE/4 SE/4

TOWNSHIP 15 SOUTH, RANGE 29 EAST, NMPM

Section 1: E/2 E/2

Section 12: NE/4 & E/2 SE/4

Section 13: NE/4 NE/4

TOWNSHIP 15 SOUTH, RANGE 30 EAST, NMPM

Section 6: N/2, SW/4, & NW/4 SE/4

Section 7: W/2 W/2 & NE/4 NW/4

Section 18: NW/4

Among the matters to be considered at the hearing will be the necessity of unit operations and the feasibility of the proposed secondary recovery program; the designation of a unit operator; the determination of the horizontal and vertical limits of the unit area; the determination of a fair, reasonable, and equitable allocation of production and costs of production, including capital investment, to each of the various tracts in the unit area; the determination of credits and charges to be made among the various owners in the unit area for their investment in wells and equipment; and such other matters as may be necessary and appropriate for carrying on efficient unit operations, including, but not necessarily limited to, unit voting procedures, selection, removal, or substitution of unit operator, and time of commencement and termination of unit operations.

CASE 5513: Southeastern New Mexico nomenclature case calling for an order for the creation and extension of certain pools in Lea, Eddy, and Chaves Counties, New Mexico.

(a) Create a new pool in Lea County, New Mexico, classified as an oil pool for Bone Springs production and designated as the West Grama Ridge-Bone Springs Pool. The discovery well is Southern Union Production Company Barbara Federal Well No. 1 located in Unit I of Section 6, Township 22 South, Range 34 East, NMPM. Said pool would comprise:

TOWNSHIP 22 SOUTH, RANGE 34 EAST, NMPM

Section 6: SE/4

(b) Create a new pool in Eddy County, New Mexico, classified as a gas pool for Strawn production and designated as the Hay Hollow-Strawn Gas Pool. The discovery well is Great Western Drilling Company Hay Hollow Unit Well No. 1 located in Unit J of Section 11, Township 26 South, Range 27 East, NMPM. Said pool would comprise:

TOWNSHIP 26 SOUTH, RANGE 27 EAST, NMPM

Section 11: E/2

(c) Create a new pool in Eddy County, New Mexico, classified as a gas pool for Delaware production and designated as the Ross-Draw-Delaware Gas Pool. The discovery well is J. C. Williamson Ross Draw Unit Well No. 1 located in Unit N of Section 27, Township 26 South, Range 30 East, NMPM. Said pool would comprise:

TOWNSHIP 26 SOUTH, RANGE 30 EAST, NMPM

Section 27: W/2 Section 34: NW/4

(d) Create a new pool in Chaves County, New Mexico, classified as an oil pool for San Andres production and designated as the Sulimar-San

Andres Pool. The discovery well is McClellan Oil Corporation Lisa A Federal Well No. 1Y located in Unit K of Section 13, Township 15 South, Range 29 East, NMPM. Said pool would comprise:

TOWNSHIP 15 SOUTH, RANGE 29 EAST, NMPM

Section 13: SW/4

(e) Extend the vertical limits of the Legg-Morrow Gas Pool in Lea County, New Mexico, to include the Atoka formation; and redesignate the pool as the Legg Atoka-Morrow Gas Pool.

(f) Extend the Antelope Ridge-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 34 EAST, NMPM

Section 26: S/2 Section 35: N/2

(g) Extend the Bar-U-Pennsylvanian Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 33 EAST, NMPM

Section 31: S/2

(h) Extend the North Burton Flats-Wolfcamp Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM

Section 19: S/2 Section 30: W/2

(i) Extend the Chaveroo-San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 33 EAST, NMPM

Section 17: NW/4 Section 18: NE/4

(j) Extend the East Chisum-San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 11 SOUTH, RANGE 28 EAST, NMPM

Section 9: E/2 SE/4 and S/2 SW/4

(k) Extend the High Plains-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 14 SOUTH, RANGE 34 EAST, NMPM

Section 26: SW/4

(l) Extend the Jalnat Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 26 SOUTH, RANGE 37 EAST, NMPM

Section 2: NW/4

(m) Extend the South Lucky Lake-Queen Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 15 SOUTH, RANGE 29 EAST, NMPM

Section 22: W/2 NW/4

(n) Extend the Pecos-Delaware Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 26 SOUTH, RANGE 29 EAST, NMPM

Section 27: SW/4 NE/4 and W/2 SE/4

(o) Extend the North Vacuum-Abo Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 35 EAST, NMPM

Section 6: SW/4

(p) Extend the Vacuum-Queen Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 34 EAST, NMPM

Section 11: NW/4

Case 5612

JAMES T. JENNINGS
SIM B. CHRISTY IV
ROGER L. COPPLE
BRIAN W. COPPLE
ROBERT G. ARMSTRONG

LAW OFFICES OF
JENNINGS, CHRISTY & COPPLE
1012 SECURITY NATIONAL BANK BUILDING
P. O. BOX 1180
ROSWELL, NEW MEXICO 88201

TELEPHONE 622-8432
AREA CODE 505

December 11, 1975

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

Attention: Mr. Joe Ramey, Executive Secretary

Re: Dalport Oil Corporation for exception
to Order R-3221, as amend.

Gentlemen:

We enclose herewith in triplicate Application by our client
Dalport Oil Corporation for an exception to Commissioner's Order
R-3221, as amend.

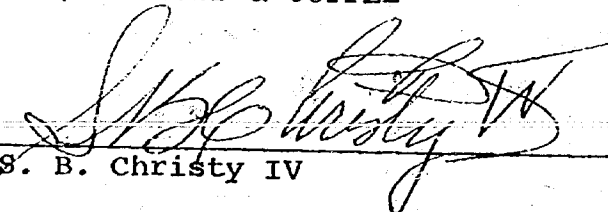
We would appreciate it if the case might be set for the next
examiner hearing, and if anything further is required we would
appreciate a collect telephone call and compliance will be promptly
made.

Respectfully,

JENNINGS, CHRISTY & COPPLE

SRC/jy
Encls.

By


S. B. Christy IV

cc w/cc Application;
Dalport Oil Corporation (Dallas)
Dalport Oil Corporation (Corpus Christi)

DOCKET MAILED
Date 12/29/75

BEFORE THE OIL CONSERVATION COMMISSION

OF THE STATE OF NEW MEXICO

APPLICATION OF DALPORT OIL CORPORATION
FOR AN EXCEPTION TO ORDER NO. R-3221,
AS AMENDED, CHAVES COUNTY, NEW MEXICO.

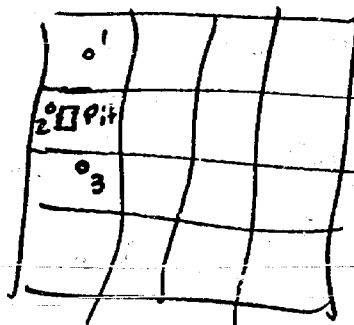
Case No. 5612

APPLICATION

COMES NOW Dalport Oil Corporation, a Delaware corporation
(Dalport), authorized to transact business in the State of New
Mexico, and states:

1. Dalport is the Operator of a producing oil well located
660 feet from the West line and 2,310 feet from the South line of
Section 16, Township 15 South, Range 30 East, N.M.P.M., Chaves
County, New Mexico, known as the Dalport No. 3 State C Well, which
produces oil and associated hydrocarbons in paying quantities; in
addition to such hydrocarbons said well produces approximately
80 barrels of water per day.

2. By this Application Dalport seeks to dispose of produced
water from said well into a pit located in Unit E of said Section 16.
It is the information and belief of Dalport that there are no fresh
water bearing formations in the area of said well and pit which might
be contaminated by the continuing disposal of water from said well
into said pit, and that no correlative rights would be violated as
a result of such authority. That in order to prevent waste without
the violation of correlative rights of any interested party, Dalport
should be granted authority to dispose of water produced from said

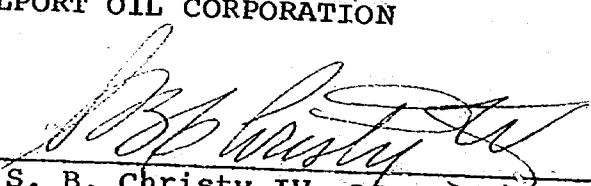


well into said pit as an exception to Order R-3221, as amended.

WHEREFORE, Dalport respectfully requests the Commission to set the matter down for examiner hearing, and after notice and hearing, to enter an Order permitting the disposition of water produced from Dalport's No. 3 State C Well in said Section 16 into a pit, or any supplemental, amended or substituted pits, located in Unit E of said Section 16; for all proper relief.

DALPORT OIL CORPORATION

By


S. B. Christy IV, as a member of
the firm of Jennings, Christy &
Copple, P. O. Box 1180,
Roswell, New Mexico 88201
(505) 622-8432
Attorneys for the Applicant

DOCKET MAILED

Date 12/29/75

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

APPLICATION OF DALPORT OIL CORPORATION
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1. Dalport is the Operator of a producing oil well located 660 feet from the West line and 2,310 feet from the South line of Section 16, Township 15 South, Range 30 East, N.M.P.M., Chaves County, New Mexico, known as the Dalport No. 3 State C Well, which produces oil and associated hydrocarbons in paying quantities; in addition to such hydrocarbons said well produces approximately 80 barrels of water per day.

2. By this Application Dalport seeks to dispose of produced water from said well into a pit located in Unit E of said Section 16. It is the information and belief of Dalport that there are no fresh water bearing formations in the area of said well and pit which might be contaminated by the continuing disposal of water from said well into said pit, and that no correlative rights would be violated as a result of such authority. That in order to prevent waste without the violation of correlative rights of any interested party, Dalport should be granted authority to dispose of water produced from said

well into said pit as an exception to Order R-3221, as amended.

WHEREFORE, Dalport respectfully requests the Commission to set the matter down for examiner hearing, and after notice and hearing, to enter an Order permitting the disposition of water produced from Dalport's No. 3 State C Well in said Section 16 into a pit, or any supplemental, amended or substituted pits, located in Unit E of said Section 16; for all proper relief.

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BEFORE THE OIL CONSERVATION COMMISSION

OF THE STATE OF NEW MEXICO

APPLICATION OF DALPORT OIL CORPORATION
FOR AN EXCEPTION TO ORDER NO. R-3221,
AS AMENDED, CHAVES COUNTY, NEW MEXICO.

Case No. 5612

APPLICATION

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well into said pit as an exception to Order R-3221, as amended.

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DALPORT OIL CORPORATION

By 

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