

CASE 5708: ROGER C. HANKS FOR
SALT WATER DISPOSAL, EDDY COUNTY,
NEW MEXICO

CASE NO.

5708

APPLICATION,
TRANSCRIPTS,
SMALL EXHIBITS,
ETC.

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

September 30, 1977

Roger C. Hanks
Box 3148
Midland, Texas 79702

Re: Case No. 5708
Order No. R-5250

Dear Mr. Hanks:

By authority granted me in Order No. R-5250, you are hereby authorized to increase the surface injection pressure on your King Disposal Well No. 1, located in Unit C of Section 9, Township 20 South, Range 25 East, Eddy County, New Mexico, to 1000 psi.

No further pressure increases will be granted until the injection tubing is set at or near the injection interval.

Yours very truly,

JOE D. RAMEY
Director

JDR/fd

Memo

From

R. L. STAMETS
TECHNICAL
SUPPORT CHIEF

To Joe

R5250 gave Roger
Hanks a 360[#] injection
pressure on his King
No 1 disposal well.
2 or 3 months ago he
asked for a higher
pressure. Did we
give him any?

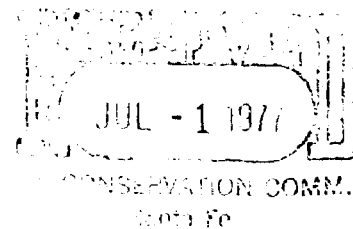
The well now has an 875[#]
limiter on it.
His request is in the file.
I see no approval.

OIL CONSERVATION COMMISSION-SANTA FE

ROGER C. HANKS

INDEPENDENT OIL OPERATOR
P. O. BOX 3148
MIDLAND, TEXAS 79702

June 28, 1977



Mr. Joe Ramey
State of New Mexico
Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: OCC Order #R-5250
Case No. 5708
King Disposal Well #1
9 - 20S - 25E, Eddy County, New Mexico

Dear Mr. Ramey:

Per our telephone conversation this date, please accept this letter as our request for an increase to 800 psi wellhead pressure for the above injection well.

Thank you for your prompt attention to this matter. If we may be of further assistance please advise.

Respectfully yours,

Roger C. Hanks

RCH:jw

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. 5708
Order No. R-5250

APPLICATION OF ROGER C. HANKS FOR
SALT WATER DISPOSAL, EDDY COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on July 7, 1976, at Santa Fe, New Mexico, before Examiner, Daniel S. Nutter.

NOW, on this 3rd day of August, 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, Roger C. Hanks, is the owner and operator of the King Disposal Well No. 1, located in Unit C of Section 9, Township 20 South, Range 25 East, NMPM, Eddy County, New Mexico.

(3) That the applicant proposes to utilize said well to dispose of produced salt water into the Devonian formation, with injection into the open-hole interval from approximately 10,300 feet to 10,550 feet.

(4) That the injection should be accomplished through 3 1/2-inch tubing installed in a packer set at a minimum depth of 1800 feet; that the casing-tubing annulus should be filled with an inert fluid; and that a pressure gauge or approved leak detection device should be attached to the annulus in order to determine leakage in the casing, tubing, or packer.

(5) That the water disposed of in said well should be chemically treated to prevent corrosion and scale build-up, and that coupon tests should be continuously conducted and the results thereof filed semi-annually with the Commission.

(6) That the injection well or system should be equipped with a pop-off valve or acceptable substitute which will limit the wellhead pressure on the injection well to no more than three hundred-sixty (360) psi, provided however, the Secretary-Director of the Commission should have authority to increase the aforesaid pressure limit if, in his judgement, conditions so warrant.

(7) That the operator should notify the supervisor of the Artesia District Office of the Commission of the date and time of the installation of disposal equipment so that the same may be inspected.

(8) That the operator should take all steps necessary to ensure that the injected water enters only the proposed injection interval and is not permitted to escape to other formations or onto the surface.

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

IT IS THEREFORE ORDERED:

(1) That the applicant, Roger C. Hanks, is hereby authorized to utilize its King Disposal Well No. 1, located in Unit C of Section 9, Township 20 South, Range 25 East, NMPM, Eddy County, New Mexico, to dispose of produced salt water into the Devonian formation, injection to be accomplished through 3 1/2-inch tubing installed in a packer set at a minimum depth of 1800 feet, with injection into the open-hole interval from approximately 10,300 feet to 10,550 feet:

PROVIDED HOWEVER, that the casing-tubing annulus shall be filled with an inert fluid; and that a pressure gauge shall be attached to the annulus or the annulus shall be equipped with an approved leak detection device in order to determine leakage in the casing, tubing, or packer.

(2) That the water disposed of into said well shall be chemically treated to prevent corrosion and scale build-up, and coupon corrosion tests shall be continuously conducted and the results thereof filed semi-annually with the Artesia District Office of the Commission.

(3) That the injection well or system shall be equipped with a pop-off valve or acceptable substitute which will limit the wellhead pressure on the injection well to no more than three hundred-sixty (360) psi, provided however, the Secretary-Director of the Commission shall have the authority to increase the aforesaid pressure limit upon satisfactory showing that such pressure limit increase is warranted.

-3-

Case No. 5708
Order No. R-5250

(4) That the operator shall notify the supervisor of the Artesia District Office of the Commission of the date and time of the installation of disposal equipment so that the same may be inspected.

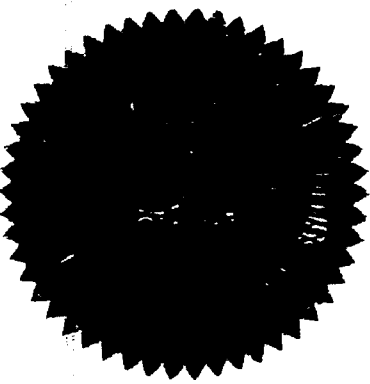
(5) That the operator shall immediately notify the supervisor of the Commission's Artesia District Office of the failure of the tubing, casing, or packer, in said well or the leakage of water from or around said well and shall take such steps as may be timely and necessary to correct such failure or leakage.

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

(7) 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


Phil R. Lucero
PHIL R. LUCERO, Chairman

Emery C. Arnold
EMERY C. ARNOLD, Member

Joe D. Ramey
JOE D. RAMEY, Member & Secretary

S E A L

dr/

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

EXAMINER HEARING

IN THE MATTER OF:

Application of Roger C. Hanks for salt) CASE
water disposal, Eddy County, New Mexico.) 5708

BEFORE: Daniel S. Nutter, 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: Clarence E. Hinkle, Esq.
HINKLE, BONDURANT, COX & EATON
Attorneys at Law
Hinkle Building
Roswell, New Mexico

sid morrish reporting service
General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 982-9212

sid morrish reporting service
General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 982-9212

I N D E X

1		
2		<u>Page</u>
3	<u>ROGER C. HANKS</u>	
4	Direct Examination by Mr. Hinkle	3
5	Cross Examination by Mr. Nutter	11

EXHIBIT INDEX

6		
7		
8		
9		
10		<u>Page</u>
11	Hanks' Exhibit One, Plat	11
12	Hanks' Exhibit Two, Log	11
13	Hanks' Exhibit Three, Diagrammatic Sketch	11
14	Hanks' Exhibit Four, Diagrammatic Sketch	11
15	Hanks' Exhibit Five, Letters	11

1 MR. NUTTER: The hearing will come to order,
2 please.

3 The next case will be Case Number 5708.

4 MR. CARR: Case 5708, application of Roger C. Hanks
5 for salt water disposal, Eddy County, New Mexico.

6 MR. HINKLE: Clarence Hinkle, Hinkle, Bondurant,
7 Cox and Eaton appearing on behalf of Roger C. Hanks. I would
8 like to have Mr. Hanks sworn.

9 (THEREUPON, the witness was duly sworn.)

10
11 ROGER C. HANKS
12 called as a witness, having been first duly sworn, was
13 examined and testified as follows:

14
15 DIRECT EXAMINATION

16 BY MR. HINKLE:

17 Q State your name and residence?

18 A Roger C. Hanks, Midland, Texas.

19 Q You are the applicant in this case?

20 A Yes, sir.

21 Q And the owner of the properties involved?

22 A Yes, sir.

23 Q And you are a petroleum geologist?

24 A Yes, sir.

25 Q And have previously testified before the Commission

sid morrish reporting service
General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 982-9212

sid morrison reporting service
General Court Reporting Service
 825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
 Phone (505) 982-9212

1 many times?

2 A. Yes, sir.

3 Q And your qualifications as a petroleum geologist
 4 are a matter of record with the Commission?

5 A. Yes, sir.

6 MR. HINKLE: Are his qualifications acceptable?

7 MR. NUTTER: Yes, they are.

8 Q (Mr. Hinkle continuing.) First let me ask you what
 9 you are seeking to accomplish by this application?

10 A I'm seeking permission from the Commission to
 11 dispose of produced Cisco Canyon water in the Devonian
 12 formation in the previously owned King Resources well in the
 13 northeast of the northwest of Section 9, 20, 25, Eddy County,
 14 New Mexico.

15 Q Have you prepared or has there been prepared under
 16 your supervision certain exhibits in this case?

17 A. Yes, sir.

18 Q Refer to Exhibit Number One and explain what this
 19 is and what it shows?

20 A This is merely an ownership plat with a large square
 21 around the proposed disposal well.

22 Q Where is this area located generally with respect
 23 to any towns?

24 A It is twelve south and eight west of Artesia.

25 Q Does Exhibit One show all of the ownership within

1 the area approximately two miles from the well?

2 A. Yes.

3 Q. What is the history of this well that you propose
4 to use as a disposal well?

5 A. This well was drilled, as I recall, in 1965. I
6 believe it says there on the log there to a depth of ninety-six
7 hundred by King Resources. At a later date the J. M. Huber
8 Corporation purchased the better lease there and I made an
9 arrangement with J. M. Huber --

10 Q. It was abandoned as a dry hole?

11 A. Oh, yes. It was drilled to ninety-six hundred and
12 abandoned as a dry hole. They tested some gas in the Morrow,
13 as I recall, about a hundred and fifty or a hundred and ninety
14 thousand with low pressures. They drilled the well and
15 abandoned it to ninety-six hundred. I made an arrangement with
16 the J. M. Huber Corporation and bought the well with the
17 agreement that I would deepen it and I ran a condemning drill
18 stem test in the Devonian formation or if I encountered any
19 other shows between ninety-six hundred and the top of the
20 Devonian, which was ten, two, eighty-eight, I believe. At
21 such time as I condemned the well to J. M. Huber's satisfac-
22 tion they would then sell me the well for four thousand dollars
23 and/or if I made a well they would take it over and reimburse
24 me my expenses.

25 Q. Now, this is on Federal land?

sid morrish reporting service
General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 982-9212

1 A. Yes.

2 Q And you have obtained permission from the USGS to
3 use this as a disposal well?

4 A Well, I have to get a surface users permit which I
5 have applied for but I can't apply for that until I receive
6 permission, unless the Commission grants me permission to
7 dispose.

8 Q All right, refer to what has been marked as Exhibit
9 Two and explain what this is and what it shows?

10 A Exhibits Two and Three are the logs, aren't they?

11 Q Yes, Exhibit Two and Three are the logs.

12 A This would be -- you don't have a copy of it?

13 Q No. Now, you might explain the condition of the
14 logs being in two parts there.

15 A In my agreement with Huber I would deepen the hole
16 and then run a log back to at least the old total depth to
17 condemn that lower portion of the zone as well as running a
18 drill stem test to condemn the potential zone that I planned
19 to use for salt water disposal. The reason for the two logs
20 is I pulled it back through. Two hundred and fifty feet of
21 it is open hole and the rest of it is being cased.

22 MR. CARR: And they are both marked Exhibit Two?

23 A Yes, it is in two parts.

24 Q (Mr. Hinkle continuing.) Now, refer to Exhibit Number
25 Three.

sid norrish reporting service
General Court Reporting Service
825 Calle Mijia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 982-9212

1 A. Exhibit Number Three is a small one, yes. This is
2 a diagrammatic sketch of the well as it exists at this moment
3 and I drilled a well from the Devonian from ninety-six
4 hundred, I re-entered it and deepened it from ninety-six
5 hundred to a depth of ten, five, fifty-five but I ran a drill
6 stem test in the top fifty feet of the Devonian. The drill
7 stem test is over on the right side. On June 13th the drill
8 stem test was run from ten, two, eighty-eight or I believe
9 ten, two, ninety to ten, three, thirty-eight and there is a
10 lithological description of the Devonian. The drill stem
11 test was open two hours and recovered seventy-five feet of
12 drilling mud with nebulous pressures, two hundred and sixty-
13 six pounds of shut-in pressure. The Devonian does not produce
14 in this area and if it had been productive then I would have
15 turned the well over to Huber.

16 After I completed the initial top test then I went
17 back to drilling and I lost circulation about the last fifteen
18 or twenty feet of the hole, around ten, four, around ten, five,
19 thirty-five, right around in there and the description that
20 you see on the fourteenth prior to the lost circulation, was
21 tan to brown, mostly dense cherty dolomite with erratic
22 drilling breaks and then I lost returns and at that time I
23 just came out of the hole, laying pipe down and then I picked
24 up ten thousand, three hundred feet of five-and-a-half inch,
25 twenty-pound casing and with one primary state and two DV tools,

sid morrish reporting service
General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 982-9212

1 they referred to my -- well, it is actually a three-stage
2 job -- we circulated cement all the way back to the surface
3 through the means of a primary and two secondary cement jobs.
4 And after I moved the rig off I moved a workover unit in and
5 a reverse circulator and drilled out the two DV tools, one at
6 sixty-one hundred and one at eighty-nine. Correction, at
7 fifty-three hundred, the first stage was. Then I drilled
8 out the shoe at ten thousand, three hundred and then swabbed
9 the hole to condemn it, again for Huber. We swabbed nothing
10 but salt water and then I washed the hole on down to my old
11 TD of ten, five, fifty-five and I put two thousand gallons of
12 twenty percent acid and at a hundred pounds we were getting
13 an injection rate of six barrels per minute.

14 I shut down at that time and the well was closed
15 in waiting on Commission approval.

16 I'm satisfied beyond any reasonable doubt that the
17 Devonian does not produce.

18 Q What about, do you have any tubing or comparable
19 casing tubing in --

20 A Yeah, right. What this sketch here depicts is that
21 I'm using four-and-a-half inch internal flush as tubing, that
22 is the 10 with the collars turned down and a Guiberson
23 permanent-type packer and set that below at about two hundred
24 and fifty feet below the closest known water. Around seven,
25 thirty-five, I believe, is where, seven-forty. Between seven

1 hundred and seven, fifty is the artesian water.

2 Then we will set that on a packer and put an inert
3 fluid on the back side and run a monthly metal disintegration
4 test on it.

5 I, incidentally, have a Commission approved well about
6 a mile and an eighth northwest of it. We are doing exactly
7 the same thing there.

8 Q Which is a disposal well?

9 A Yes, sir.

10 Q You are using it at the present time?

11 A Yes, sir, I'm disposing in this same interval.

12 Q In your opinion will this effectively keep the
13 water in the Devonian formation that you dispose of in?

14 A Yes, there are no perforations in this well and I
15 have effectively circulated the cement through all from top
16 to bottom and we did get returns at the surface between our
17 intermediate and long string.

18 Q Do you contemplate that you will have to put the
19 water in under pressure or will it take it?

20 A Well, the volume that it is going to require it will
21 take -- I'm designing a design for less than a thousand pounds.

22 Q Do you have any idea of how much water you will
23 dispose of?

24 A Around fourteen thousand barrels a day is what this
25 well will take. Now, at less than a thousand pounds it

sid morrison reporting service
General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 982-9212

1 becomes totally unecomonical and it would be better to get
2 another hole.

3 Q Now, refer to your Exhibit Number Four?

4 A This is another diagrammatic sketch of the surface
5 installation as it is at the present time to conform to USGS
6 surface users permit. I have erected a four-foot barrier
7 all the way around this thing in the event of breakage or
8 leakage or something like that you've got to have a
9 protection. Each of these sketches show the gate detail and
10 the typical driving ramp section and the fence.

11 Q All of this has actually been constructed at the
12 present time?

13 A Yes, it has been constructed exactly as it is. The
14 four acres which I purchased from Huber is shown here and
15 then, of course, I will have to seek Federal approval on the
16 surface users permit.

17 This exhibit is really more for the USGS than
18 anybody.

19 Q In your opinion will the approval of this application
20 be in the interest of conservation and prevention of waste?

21 A Yes, sir.

22 Q Do you have anything further you would like to add?

23 A No, sir, I don't have anything more.

24 MR. HINKLE: We would like to offer Exhibits One
25 through Four.

1 MR. NUTTER: Hanks' Exhibits One through Four will
2 be admitted into evidence.

3 (THEREUPON, Hanks' Exhibits One through
4 Four were admitted into evidence.)

5 MR. HINKLE: We do have Exhibit Five, several letters
6 of offset owners. They have all agreed to this disposal.

7 MR. NUTTER: And you are offering those also?

8 MR. HINKLE: Yes. You might give who they are from.

9 MR. HANKS: I have approval from J. M. Huber, of
10 course, Getty and Yates, I believe. Monsanto which is not
11 there due to an error. It is in my office, I will forward
12 that to the Commission on my return.

13 MR. HINKLE: This covers all of the offset owners?

14 MR. HANKS: Yes, sir, within two miles. David
15 Fasken and Coquina and Mark Production also.

16 MR. NUTTER: Exhibit Number Five-A through E, being
17 the waivers of objection from the offset operators will also
18 be admitted into evidence.

19 (THEREUPON, Hanks' Exhibit Number Five
20 was admitted into evidence.)

21 MR. HINKLE: That's all we have.

22
23 CROSS EXAMINATION

24 BY MR. NUTTER:

25 Q Mr. Hanks, the disposal zone would be this section of

1 the Devonian where you --

2 A. The open hole, yes, sir.

3 Q. The open-hole section in the Devonian where you lost
4 circulation apparently is quite porous and has a great deal
5 of porosity?

6 A. Yes, sir.

7 Q. Now, that open-hole interval would be from ten,
8 three hundred to total depth of ten, fifty-five, is that
9 correct?

10 A. Yes, sir.

11 Q. And you do have five-and-a-half-inch pipe from the
12 surface down to that setting depth of ten, three hundred, is
13 that right?

14 A. Yes, sir, and I did circulate cement on that string.

15 Q. And that pipe was cemented with three stages, the
16 top of the cement on the first stage was at nine thousand feet?

17 A. Yes, that's calculated, yes, sir.

18 Q. And the DV tool above that was at eighty-nine
19 hundred, so there is a possibility of about a hundred-foot
20 window in the cement?

21 A. There very easily could be. These are calculated
22 tops because there is no way to run a temperature survey when
23 that's closed off, you see, and that's a Halliburton top is
24 what that is.

25 Q. And then the third stage was cemented at fifty-three

sid morrish reporting service
General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 982-9212

1 hundred and the calculated top is sixty-one hundred so there
2 is the possibility of about a eight hundred-foot window in the
3 cement there?

4 A. There very easily could be but there again I'm using
5 calculation tops and we had a hole diameter test and that is
6 the reason for the calculation of the number of sacks per
7 unit.

8 Q. Was there a caliper log available on the portion of
9 the hole that was drilled by King Resources?

10 A. Oh, yeah, that is what we used to calculate the
11 amount. That's how we got cement to the surface.

12 Q. Okay, now, you propose to set your four-and-a-half
13 inch tubing in a packer at about nine hundred and ten feet, is
14 that correct?

15 A. Yes, sir, that's what we plan to. To get below,
16 even though we still have two other strings that are wrapped up,
17 it will cut down on the restriction and I will be able to get
18 more water in that hole and it is still below the artesian
19 zone.

20 Q. Now, my note here says that you mentioned that the
21 artesian water was from about seven hundred to seven hundred
22 and fifty?

23 A. Yes, sir, it varies but generally speaking that
24 is where we usually -- I've drilled fourteen wells over there
25 and that is a fairly good average -- no deeper than seven,

sid morrish reporting service
General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 982-9212

sid morrison reporting service
General Court Reporting Service
 825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
 Phone (505) 982-9212

1 fifty I don't believe I have found any of it.

2 Q So if it were seven, fifty, you would have about
 3 a hundred and sixty feet from seven, fifty down to the packer
 4 at nine, ten?

5 A Right, with the eight-and-five-eighths, the four-and-
 6 a-half, the five-and-a-half and the eight-and-five-eighths
 7 protecting them.

8 Q There would be two strings of casing and one string
 9 of tubing?

10 A Yes, sir, with cement circulated up behind the five-
 11 and-a-half and the eight-and-five-eighths.

12 Q How would you treat the tubing-casing annulus there,
 13 would that be loaded with an inert fluid or how would --

14 A Yes, sir, it would be loaded with an inert fluid and
 15 of course, a pressure gauge on it and either monthly or
 16 bi-monthly -- well, it's really a continuous metal
 17 disintegration test.

18 Q That would be a coupon test?

19 A Yeah, a coupon test, right.

20 Q To determine whether corrosion has occurred?

21 A Yes. We treat the water that we dispose of in there
 22 to eliminate this buildup of scale.

23 Q The disposal water is treated?

24 A Yes, sir.

25 Q Now, Mr. Hanks, Uncle Sam is proposing some under-

sid morrish reporting service

General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 982-9212

1 ground injection standards which the State shall use as
2 guidelines for the approval of underground injections, in
3 their words.

4 A. Yes, sir.

5 Q. We believe that their proposed guidelines which they
6 have offered the states or will offer the states to help us
7 administer our programs will require that tubing and packer
8 be set immediately above the disposal zone so in the event that
9 this well should be approved by the Commission at this time and
10 in this manner, the proposed guidelines also call for the
11 states to reissue permits at a later time after the plan has
12 been adopted and it may be that the Commission upon approval
13 of the disposal zone at a later date would require the amend-
14 ment of your program here.

15 A. Yes, sir. That being the case, of course, I am
16 knowledgeable that we will have to change our other well
17 also which I've got it set at eleven hundred or twenty-three
18 hundred, I've forgotten which. In other words, I'm aware
19 that I couldn't run that four inch.

20 Q. Now, this Guiberson permanent packer that you are
21 installing here, in the event you did have to run your tubing
22 further down you would have to drill that out, wouldn't you?

23 A. We could knock it out. Usually with a sinker bar
24 you can knock it out. I wouldn't run the risk of running any
25 ten thousand three hundred feet of four-and-a-half internal

1 flush pipe. I would pull that four-and-a-half and run three-
2 and-a-half tubing.

3 Q You might not have the tensile strength there in
4 the joints?

5 A Well, I would be afraid of it and there is so little
6 clearance. In other words, I can effectively control the
7 disintegration of that tubing by monitoring it at this
8 particular depth but it is just not worth the risk, there is
9 too little clearance if there is a burr inside that casing or
10 anything we could stick that four-and-a-half and never get it
11 that deep so I would have to go to a smaller size tubing.

12 Q Now, is it possible to run the four-and-a-half a
13 little further down in there since you only had one hundred
14 and sixty feet from the bottom of the water to the packer here?

15 A I could probably go to -- it's anybody's guess --
16 eleven or twelve hundred feet would be, I'm just afraid to
17 run it any deeper than that because it would just strictly
18 collapse and tension also because when you turn down collars
19 on four-and-a-half pipe really you are losing all of the
20 tension. So I'm using eleven-sixty grade casing for tubing,
21 you see.

22 Q I see.

23 A And, of course, the obvious reason for that is to
24 cut down friction on us so you can get as much water in it
25 at the lowest pressure.

1 Q I think you stated you would probably be disposing
2 of about fourteen thousand barrels a day?

3 A Well, I imagine that is about what it will take. It
4 will be less than a thousand pounds to fairly well standardize-
5 it takes too much pumping capacity, it's more economical to
6 go find another hole than it is to buy horsepower to put water
7 away at a greater pressure than the thousand pounds. My
8 pressure is averaging about three, fifty on the other well up
9 to the north and we are getting around thirteen thousand
10 barrels a day in it.

11 Q Three, fifty at the surface?

12 A Yes, sir. I've got a Gaso triplex on there that
13 I'm going to put two quadraplexes probably on this one so if
14 one goes down we can at least run half-time. And on this one
15 sketch, Mr. Nutter, I don't show the tanks on there because
16 I don't know at this time exactly how we're going to surface
17 construct that thing, either one or two tanks, one for sure
18 but if I can get a proper overflow from my other system I may
19 can get by with one tank.

20 Q Where is the other well, Mr. Hanks?

21 A In the northwest-northwest of 9, the old
22 Monsanto-Foster. Correction, 5, the northwest-northwest
23 of 5.

24 Q About a mile-and-a-half northwest of here?

25 A Yes, sir. I've been disposing in that well for

sid morrish reporting service

General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 982-9212

1 five years.

2 Q And after five years of disposal three hundred and
3 fifty pounds surface pressure puts thirteen thousand
4 barrels away?

5 A Yes, it's a rough estimate.

6 MR. NUTTER: Are there any further questions of
7 Mr. Hanks? He may be excused.

8 (THEREUPON, the witness was excused.)

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

11 MR. HINKLE: That's all.

12 MR. NUTTER: Does anyone have anything they wish to
13 offer in Case 5708? We will take the case under advisement.

14

15

16

17

18

19

20

21

22

23

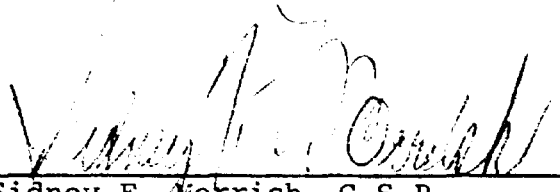
24

25

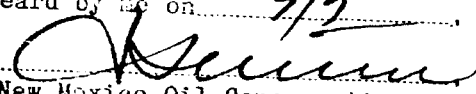
sid morrish reporting service
General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 982-9212

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.

sid morrish reporting service
General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (305) 982-9212

I do hereby certify that the foregoing is
a complete and correct transcript of the proceedings in
the Examiner hearing of case No. 5708,
heard by me on 7/2, 1976.
 Examiner
New Mexico Oil Conservation Commission

[illegible]

NEW MEXICO OIL CONSERVATION COMMISSION
APPLICATION TO DISPOSE OF SALT WATER BY INJECTION INTO A POROUS FORMATION

OPERATOR Roger C. Hanks		ADDRESS P. O. Box 3148, Midland, TX 79701			
LEASE NAME King Disposal		WELL NO. 660	COUNTY Eddy		
LOCATION UNIT LETTER West LINE, SECTION 9		FIELD Cemetery			
RANGE 25E		NMPM.			
CASING AND TUBING DATA					
NAME OF STRING	SIZE	SETTING DEPTH	SACKS CEMENT	TOP OF CEMENT	TOP DETERMINED BY
XXXXXXXXXX Conductor	20"	30'	35 sx		
INTERMEDIATE	8-5/8"	1193'	300 sx		
LONG STRING	5-1/2"	10,334'	Multi-stage 1630 sx	Circ	
TUBING	4 1/2" IF	910'	NAME, MODEL AND DEPTH OF TUBING PACKER 3 1/2" WC Type Otis @ 910'		
NAME OF PROPOSED INJECTION FORMATION Devonian		TOP OF FORMATION 10,300		BOTTOM OF FORMATION 10,555	
IS INJECTION THROUGH TUBING, CASING, OR ANNULUS? Tubing		PERFORATIONS OR OPEN HOLE? OH		PROPOSED INTERVAL(S) OF INJECTION 10,333 - 10,555	
IS THIS A NEW WELL DRILLED FOR DISPOSAL? Deepened for disp.		IF ANSWER IS NO, FOR WHAT PURPOSE WAS WELL ORIGINALLY DRILLED?		HAS WELL EVER BEEN PERFORATED IN ANY ZONE OTHER THAN THE PROPOSED INJECTION ZONE? No	
LIST ALL SUCH PERFORATED INTERVALS AND SACKS OF CEMENT USED TO SEAL OFF OR SQUEEZE EACH					
*See attached					
DEPTH OF BOTTOM OF DEEPEST FRESH WATER ZONE IN THIS AREA 715'		DEPTH OF BOTTOM OF NEXT HIGHER OIL OR GAS ZONE IN THIS AREA 9,300		DEPTH OF TOP OF NEXT LOWER OIL OR GAS ZONE IN THIS AREA None in area	
ANTICIPATED DAILY INJECTION VOLUME (BBLs.)	MINIMUM 12,000	MAXIMUM 18,000	OPEN OR CLOSED TYPE SYSTEM closed	IS INJECTION TO BE BY GRAVITY OR PRESSURE? pressure	APPROX. PRESSURE (PSI) 1,000#
ANSWER YES OR NO WHETHER THE FOLLOWING WATERS ARE MINERALIZED TO SUCH A DEGREE AS TO BE UNFIT FOR DOMESTIC, STOCK, IRRIGATION, OR OTHER GENERAL USE			WATER TO BE DISPOSED OF Yes	NATURAL WATER IN DISPOSAL ZONE Yes	ARE WATER ANALYSES ATTACHED? Yes
NAME AND ADDRESS OF SURFACE OWNER (OR LESSEE, IF STATE OR FEDERAL LAND) USGS					
LIST NAMES AND ADDRESSES OF ALL OPERATORS WITHIN ONE-HALF (1/2) MILE OF THIS INJECTION WELL					
David Fasken, 608 1st National Bank Bldg., Midland, TX 79701					
J. M. Huber Corporation, 1900 Wilco Building, Midland, TX 79701					
Mark Production Company, 330 Citizens Bank Building, Tyler, TX 75701					
Getty Oil Company, P. O. Box 1231, Midland, TX 79701					
Coquina Oil Corporation, 200 Building of the Southwest, Midland, TX 79701					
HAVE COPIES OF THIS APPLICATION BEEN SENT TO EACH OF THE FOLLOWING?		SURFACE OWNER Yes		EACH OPERATOR WITHIN ONE-HALF MILE OF THIS WELL Yes	
ARE THE FOLLOWING ITEMS ATTACHED TO THIS APPLICATION (SEE RULE 701-B)?		PLAT OF AREA Yes		ELECTRICAL LOG Yes	
				DIAGRAMMATIC SKETCH OF WELL Yes	
I hereby certify that the information above is true and complete to the best of my knowledge and belief.					
Roger C. Hanks (Signature)		Owner-Operator (Title)		July 6, 1976 (Date)	

NOTE: Should waivers from the State Engineer, the surface owner, and all operators within one-half mile of the proposed injection well, not accompany this application, the New Mexico Oil Conservation Commission will hold the application for a period of 15 days from the date of receipt by the Commission's Santa Fe office. If at the end of the 15-day waiting period no protest has been received by the Santa Fe office, the application will be processed. If a protest is received, the application will be set for hearing, if the applicant so requests. SEE RULE 701.

KING DISPOSAL WELL #1
660' FNL & 1980' FWL, 9-20-25,
Eddy County, NM

5-29-76 RU Moran Bros.
5-30-76 WO engine change out.
5-31-76 WO engine change out.
6-1-76 WO engine change out.
6-2-76 WO engine change out.
6-3-76 Drlg cmt @ 3350'. First plug 1125-1235'.
6-4-76 Drlg @ 7640'. 2nd plug @ 3350', 3rd plug @ 5000',
4th plug @ 6525'.
OART: Mixing mud.
6-5-76 Drlg @ 8420' (bit stuck @ 7641'; worked free). 5th plug
@ 7700'.
OART: SD to mud up.
6-6-76 9600'. 6th plug @ 9350'.
OART: Circ to condition hole.
6-7-76 Drlg @ 9647', sdy lm & sh.
LD 10 5-3/4" DC's, PU 18 6-1/2" DC's, ran Reed FP63
bit, wash & ream to btm.
OART: drlg.
6-8-76 Drlg @ 9760', sh, lm & sand.
6-9-76 Drlg @ 9866', lm & sh
6-10-76 Drlg @ 9972', lm & sh
6-11-76 Drlg @ 10,179', lm
6-12-76 Drlg @ 10,270', lm & sh
6-13-76 Circ for DST #1 @ 10,338. Top of Devonian @ 10,288.
Description of Dev as follows: white to tan romb. dolo
w/some milky chert, poor fluoresece, slight cut w/some
dead oil stain.
DST #1. 10,290 - 10,338'. Temp 165°. Tool open w/very
weak blow. 30 min preflow, ISI 1 hr, Test 2 hr, FSI 3 hr.
IHP 5049, FHP 5049, IFP 488, FFP 266, ISIP 399, FSIP 266.
2nd re-open, no blow. Rec 75' drlg mud. Closed in tool
for SI. Started out of hole.
6-14-76 Drld 10,338 to 10,555'. Loss circ w/no returns.
Description of Dev prior to loss circ as follows: tan to
brown, mostly dense cherty dolo w/erratic drlg breaks.
No show.
6-15-76 Circ @ 10,300'.
6-16-76 Ran 5 1/2" 17# N-80 csg, set @ 10,333.72'. Cmt as follows:
Primary stage - Halliburton pkr shoe @ 10,300', 275 sx
Class C w/.006% Halad-22 + 6# salt/sk. First plug down @
12:00 Noon, 6-15-76.
Second Stage - 485 sx Halliburton Lite w/6# salt/sk.
Second plug down @ 6:45 PM, 6-15-76. DV tool set @
8900'.
Third Stage - 870 sx Halliburton Lite w/6# salt/sk.
Plug down @ 2:45 AM, 6-16-76. DV tool set @ 5300'.
Cmt. circ to surface. WOC.

6-18-76	RD Moran Bros.
6-21-76	RU reverse unit to drl DV tools
6-22-76	Drly top DV tool @ 5400'.
6-23-76	Drly cmt @ 10,260'. 2nd DV tool @ 8900'.
6-24-76	10,555', swabbing. FL 400' from surface.
6-25-76	Logging 10,555' to 9,400'.
6-26-76	RD Unit
6-27-76	SI, WOO
6-28-76	SI, WOO
6-29-76	SI, WOO
6-30-76	SI, WOO

HALLIBURTON DIVISION LABORATORY
 HALLIBURTON COMPANY
 MIDLAND DIVISION

LABORATORY WATER ANALYSIS No. W2-050-71

To Roger C. HanksDate 1/22/712100 Wilco BldgMidland, Texas 79701

This report is the property of Halliburton Company and neither it nor any part thereof nor a copy thereof is to be published or disclosed without first securing the express written approval of laboratory management; it may however, be used in the course of regular business operations by any person or concern and employees thereof receiving such report from Halliburton Company.

Submitted by _____

Date Rec. 1/19/71Well No. Monsanto Foster # 1 Depth 10,524Formation DevonianCounty EddyField South ArtesiaSource DST # 1

	<u>TOOL TOP</u>	<u>MIDDLE RECOVERY</u>	<u>TOP RECOVERY</u>
Resistivity	<u>.222 @ 73 F</u>	<u>.238 @ 73 F</u>	<u>2.04 @ 73 F</u>
Specific Gravity	<u>1.026</u>		
pH	<u>6.7</u>		
Calcium (Ca)	<u>1,200</u>		<u>*MPL</u>
Magnesium (Mg)	<u>330</u>		
Chlorides (Cl)	<u>14,000</u>	<u>12,500</u>	<u>3,000</u>
Sulfates (SO ₄)	<u>1,700</u>		
Bicarbonates (HCO ₃)	<u>610</u>		
Soluble Iron (Fe)	<u>20</u>		
	<u>MUD PIT</u>		
Resistivity	<u>.664 @ 73 F</u>		
Chlorides (Cl)	<u>4,000</u>		

Remarks:

*Milligrams per liter

Respectfully submitted,

Analyst: Robert Lansford

cc:

HALLIBURTON COMPANY

By Robert Lansford

DIVISION CHEMIST

NOTICE

This report is limited to the described sample tested. Any user of this report agrees that Halliburton shall not be liable for any loss or damage, whether it be to act or omission, resulting from such report or its use.

2025

ROGER C. HANKS

WEST HIGHWAY EIGHTY
CITY 101
P. O. BOX 3148
MIDLAND, TEXAS 79701

May 14, 1976

BEFORE EXAMINER NUTTER
OIL CONSERVATION COMMISSION
EXHIBIT NO. 5-a
CASE NO. 5708

Coquina Oil Corporation
200 Bldg. of the Southwest
Midland, TX 79701

Attention: Production Dept.

Gentlemen:

Re: Salt Water Disposal
Approval Request

The undersigned respectfully requests your approval for his disposing of produced formation water into the Devonian formation at approximately 10,200' and below.

I have recently purchased the dry hole previously named the King Resources, Pubco Com located in the NE/4 of the NW/4 of Section 9, 20-25, Eddy County, New Mexico. I am seeking Commission approval to move a rig on and deepen the old well to the Devonian formation and if not found to be commercial will then run a 5½" string of casing with a primary and two secondary stage cement jobs to return cement back to the intermediate pipe, approximately 1,100'. The primary and secondary cement jobs should adequately protect any and all beds above the zones disposed into.

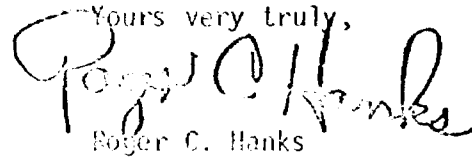
A formal hearing will be requested before the Oil Conservation Commission and no water will be injected until their approval is received. Thereafter, strict adherence to all governmental regulations will be followed.

I have previous correspondence agreeing to hold the J. M. Huber Corporation harmless from any litigation whatsoever, as well as that of those not objecting to this request.

I have full Commission approval for my Monsanto Foster disposal well located in the NW/4 of the NW/4 of Section 5, 20-25, Eddy County, New Mexico, which is approximately one and one-quarter miles northwest of this proposed additional disposal facility. This is a fully Commission approved and operated disposal facility disposing into the Devonian formation at a rate of approximately 13,000 BPD.

Coquina Oil Corporation
Page 2
May 14, 1976

Your prompt attention to the above will be greatly appreciated as the need for an additional disposal facility is urgent.

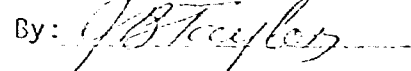
Yours very truly,

Roger C. Hanks

RCH:lp/ag

No Objection X

Objection _____

COQUINA OIL CORPORATION

By: 
5-18-76

ROGER C. HANKS

WEST HURST, TEXAS
P. O. BOX 3148
MIDLAND, TEXAS 79701

MAY 17 1976

GULF OIL COMPANY
MIDLAND DISTRICT
MIDLAND, TEXAS

May 14, 1976

Gulftly Oil Company
P. O. Box 1231
Midland, TX 79701

Attention: Production Dept.

Gentlemen:

BEFORE EXAMINER MUTTER
OIL CONSERVATION COMMISSION
EXHIBIT NO. 5-B
CASE NO. 5708

Re: Salt Water Disposal
Approval Request

The undersigned respectfully requests your approval for his disposing of produced formation water into the Devonian formation at approximately 10,200' and below.

I have recently purchased the dry hole previously named the King Resources, Pubco Com located in the NE/4 of the NW/4 of Section 9, 20-25, Eddy County, New Mexico. I am seeking Commission approval to move a rig on and deepen the old well to the Devonian formation and if not found to be commercial will then run a 5½" string of casing with a primary and two secondary stage cement jobs to return cement back to the intermediate pipe, approximately 1,100'. The primary and secondary cement jobs should adequately protect any and all beds above the zones disposed into.

A formal hearing will be requested before the Oil Conservation Commission and no water will be injected until their approval is received. Thereafter, strict adherence to all governmental regulations will be followed.

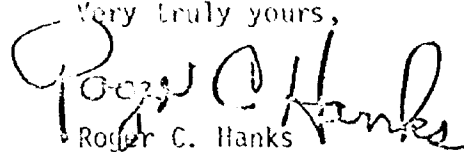
I have previous correspondence agreeing to hold the J. M. Huber Corporation harmless from any litigation whatsoever, as well as that of those not objecting to this request.

I have full Commission approval for my Monsanto Foster disposal well located in the NW/4 of the NW/4 of Section 5, 20-25, Eddy County, New Mexico, which is approximately one and one-quarter miles northwest of this proposed additional disposal facility. This is a fully Commission approved and operated disposal facility disposing into the Devonian formation at a rate of approximately 13,000 BPD.

Getty Oil Company
Page 2
May 14, 1976

Your prompt attention to the above will be greatly appreciated as
the need for an additional disposal facility is urgent.

Very truly yours,


Roger C. Hanks

RCH:lp/ag

No Objection ☒

Objection ☐

GETTY OIL COMPANY

By: 

ROGER C. HANKS

STATE OF TEXAS
MAY 1976
P. O. BOX 3148
MIDLAND, TEXAS 79701

May 14, 1976

Mark Production Company
330 Citizens Bank Bldg.
Tyler, TX 75701

Attention: Production Dept.

Gentlemen:

Re: Salt Water Disposal
Approval Request

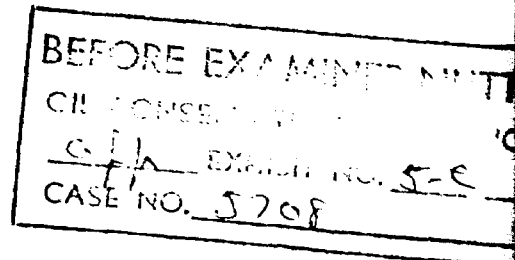
The undersigned respectfully requests your approval for his disposing of produced formation water into the Devonian formation at approximately 10,200' and below.

I have recently purchased the dry hole previously named the King Resources, Pubco Com located in the NE/4 of the NW/4 of Section 9, 20-25, Eddy County, New Mexico. I am seeking Commission approval to move a rig on and deepen the old well to the Devonian formation and if not found to be commercial will then run a 5½" string of casing with a primary and two secondary stage cement jobs to return cement back to the intermediate pipe, approximately 1,100'. The primary and secondary cement jobs should adequately protect any and all beds above the zones disposed into.

A formal hearing will be requested before the Oil Conservation Commission and no water will be injected until their approval is received. Thereafter, strict adherence to all governmental regulations will be followed.

I have previous correspondence agreeing to hold the J. M. Huber Corporation harmless from any litigation whatsoever, as well as that of those not objecting to this request.

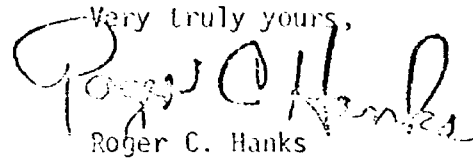
I have full Commission approval for my Monsanto Foster disposal well located in the NW/4 of the NW/4 of Section 5, 20-25, Eddy County, New Mexico, which is approximately one and one-quarter miles northwest of this proposed additional disposal facility. This is a fully Commission approved and operated disposal facility disposing into the Devonian formation at a rate of approximately 13,000 BPD.



Mark Production Company
Page 2
May 14, 1976

Your prompt attention to the above will be greatly appreciated as
the need for an additional disposal facility is urgent.

Very truly yours,


Roger C. Hanks

RCH:lp/ag

No Objection ✓

Objection _____

MARK PRODUCTION COMPANY

By: 

ROGER C. HANKS

WITNESS
P. O. BOX 3148
MIDLAND, TEXAS 79701

May 14, 1976

J. M. Huber Corporation
1900 Wilco Bldg.
Midland, TX 79701

Attention: Production Dept.

Gentlemen:

Re: Salt Water Disposal
Approval Request

The undersigned respectfully requests your approval for his disposing of produced formation water into the Devonian formation at approximately 10,200' and below.

I have recently purchased the dry hole previously named the King Resources, Pubco Com located in the NE/4 of the NW/4 of Section 9, 20-25, Eddy County, New Mexico. I am seeking Commission approval to move a rig on and deepen the old well to the Devonian formation and if not found to be commercial will then run a 5½" string of casing with a primary and two secondary stage cement jobs to return cement back to the intermediate pipe, approximately 1,100'. The primary and secondary cement jobs should adequately protect any and all beds above the zones disposed into.

A formal hearing will be requested before the Oil Conservation Commission and no water will be injected until their approval is received. Thereafter, strict adherence to all governmental regulations will be followed.

I have previous correspondence agreeing to hold the J. M. Huber Corporation harmless from any litigation whatsoever, as well as that of those not objecting to this request.

I have full Commission approval for my Monsanto Foster disposal well located in the NW/4 of the NW/4 of Section 5, 20-25, Eddy County, New Mexico, which is approximately one and one-quarter miles northwest of this proposed additional disposal facility. This is a fully Commission approved and operated disposal facility disposing into the Devonian formation at a rate of approximately 13,000 BPD.

BEFORE EXAMINER NUTTER

OIL CONSERVATION COMMISSION

EXHIBIT NO. S-D.
CASE NO. 5708

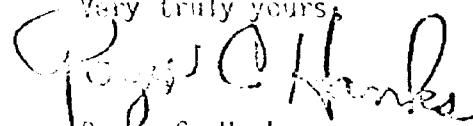
ER

N

J. M. Huber Corporation
Page 2
May 14, 1976

Your prompt attention to the above will be greatly appreciated as the need for an additional disposal facility is urgent.

Very truly yours,


Roger C. Hanks

RCH:lp/ag

No Objection ☒ X

Objection ☐

J. M. HUBER CORPORATION

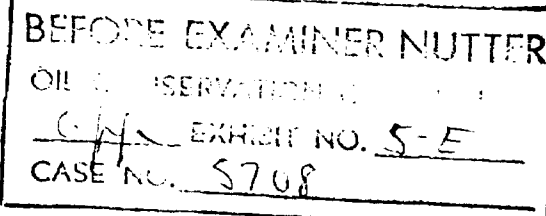
By: 
James R. Sutherland

copy to State Engineer
Application assigned to Mr. Nutter

ROGER C. HANKS

WEST HIGHWAY EIGHTY
EEDLY 101
P. O. BOX 3148
MIDLAND, TEXAS 79701

May 14, 1976



Mr. David Fasken
608 1st National Bank Bldg.
Midland, TX 79701

Dear Mr. Fasken:

Re: Salt Water Disposal
Approval Request

The undersigned respectfully requests your approval for his disposing of produced formation water into the Devonian formation at approximately 10,200' and below.

I have recently purchased the dry hole previously named the King Resources, Pubco Com located in the NE/4 of the NW/4 of Section 9, 20-25, Eddy County, New Mexico. I am seeking Commission approval to move a rig on and deepen the old well to the Devonian formation and if not found to be commercial will then run a 5½" string of casing with a primary and two secondary stage cement jobs to return cement back to the intermediate pipe, approximately 1,100'. The primary and secondary cement jobs should adequately protect any and all beds above the zones disposed into.

A formal hearing will be requested before the Oil Conservation Commission and no water will be injected until their approval is received. Thereafter, strict adherence to all governmental regulations will be followed.

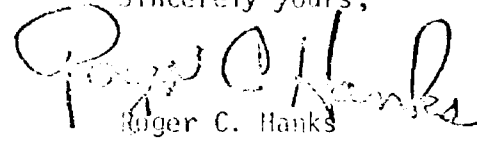
I have previous correspondence agreeing to hold the J. M. Huber Corporation harmless from any litigation whatsoever, as well as that of those not objecting to this request.

I have full Commission approval for my Monsanto Foster disposal well located in the NW/4 of the NW/4 of Section 5, 20-25, Eddy County, New Mexico, which is approximately one and one-quarter miles northwest of this proposed approved additional disposal facility. This is a fully Commission approved and operated disposal facility disposing into the Devonian formation at a rate of approximately 13,000 SPD.

Mr. David Fasken
Page 2
May 14, 1976

Your prompt attention to the above will be greatly appreciated as the need for an additional disposal facility is urgent.

Sincerely yours,

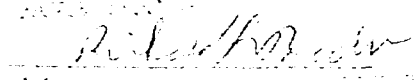

Roger C. Hanks

RCH:lp/ag

No Objection ☒ *Provided WHDCC & USGS approval are obtained.*

Objection _____

DAVID FASKEN

By: 
DAVID FASKEN

Dockets Nos. 21-76 and 22-76 are tentatively set for hearing on August 4 and August 18, 1976. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - JULY 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 Daniel S. Sutter, Examiner, or Richard L. Stamets, Alternate Examiner:

- CASE 5704: Application of Gulf Oil Corporation for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle Drinkard and Blinbry production in the wellbore of its H. T. Mattern (NCT-B) Well No. 16 located in Unit D of Section 31, Township 21 South, Range 37 East, Lea County, New Mexico. Applicant further seeks an administrative procedure for approval of additional commingling authority on this lease.
- CASE 5705: Application of Gulf Oil Corporation for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle Drinkard and Blinbry production in the wellbore of its H. T. Mattern (NCT-C) Wells Nos. 5 and 8, located, respectively, in Units I and A of Section 18, Township 21 South, Range 37 East, Lea County, New Mexico. Applicant further seeks an administrative procedure for approval of additional commingling authority on this lease.
- CASE 5706: Application of Gulf Oil Corporation for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle Drinkard and Blinbry production in the wellbore of its William A. Ramsay (NCT-B) Well No. 6 in Unit H of Section 25, Township 21 South, Range 36 East, Lea County, New Mexico. Applicant further seeks an administrative procedure for approval of additional commingling authority on this lease.
- CASE 5707: Application of Harrington Transportation Inc. for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox gas well location of its Llano Inc. Terry Well No. 1, to be drilled at a point 1650 feet from the North line and 1980 feet from the East line of Section 14, Township 18 South, Range 26 East, Atoka-Pennsylvanian Gas Pool, Eddy County, New Mexico.
- CASE 5708: Application of Roger C. Hanks for salt water disposal, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Devonian formation through the approximate interval from 10,300 feet to 10,550 feet in his King Disposal Well No. 1 located in Unit C of Section 9, Township 20 South, Range 25 East, Eddy County, New Mexico.
- CASE 5709: Application of Tahoe Oil and Cattle Company for an exception to the provisions of Order No. R-3221, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks, as an exception to the provisions of Commission Order No. R-3221, permission to construct and operate an earthen salt water disposal pit in the NW/4 SW/4 of Section 2, Township 20 South, Range 30 East, Eddy County, New Mexico.
- CASE 5710: Application of Benson-Montin-Greer Drilling Corporation for two non-standard gas proration units, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the two following described non-standard gas proration units in Township 32 North, Range 13 West, Ute Dome-Dakota Gas Pool, San Juan County, New Mexico:
- a 250.64-acre unit comprising the N/2 of Section 30 to be dedicated to applicant's La Plata F-30 Well No. 2, located 900 feet from the North line and 827 feet from the West line of said Section 30;
- a 250.80-acre unit comprising the S/2 of Section 30 to be dedicated to applicant's La Plata K-30 Well No. 1 located 1503 feet from the South line and 825 feet from the West line of said Section 30.
- CASE 5691: (Readvertised and Reopened)
- Application of Hanson Oil Corporation for an unorthodox oil well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a well to be drilled 990 feet from the North line and 2600 feet from the West line of Section 25, Township 26 South, Range 31 East, North Mason-Delaware Pool, Eddy County, New Mexico.
- CASE 5702: Application of Cities Service Oil Company for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle Tubb Gas Pool and Drinkard Oil Pool production in the wellbore of its Brunson "B" Well No. 7 located in Unit N of Section 3, Township 22 South, Range 37 East, Lea County, New Mexico.

CLARENCE E. HINKLE
W. E. BONDURANT, JR. (1914-1973)
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.
JAMES H. BOZARTH
RONALD G. HARRIS
JAMES H. ISBELL
DOUGLAS L. LUNSFORD

LAW OFFICES
HINKLE, BONDURANT, COX & EATON

600 HINKLE BUILDING
POST OFFICE BOX 10
ROSWELL, NEW MEXICO 88201

TELEPHONE (505) 622-6510

MR. ISBELL LICENSED
IN TEXAS ONLY

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

June 24, 1976

Oil Conservation Commission
Box 2000
Santa Fe, New Mexico 87501

Gentlemen:

We enclose in triplicate application of Roger C. Hanks for salt water disposal in the King-Disposal well in Section 9, Township 20 South, Range 25 East, Eddy County in the Devonian formation. I discussed this matter over the phone with Bill Carr and it is my understanding that it will be included on the examiner's docket for July 7.

The log which is being filed with the application is apparently a driller's log, but if an electrical log was run I will request that it be available to be introduced at the hearing.

The application states that we are attaching as Exhibit "B" a diagrammatic sketch of the proposed disposal well. This has not yet been completed, but as soon as it is available I will send it to you to be filed with the application.

Yours sincerely,

HINKLE, BONDURANT, COX & EATON

By 

CEH:cs
Enc.

cc: Roger C. Hanks

P.S. Since dictating the above, I have received the diagrammatic sketch, copy of which is enclosed.

BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

APPLICATION OF ROGER C. HANKS FOR)
SALT WATER DISPOSAL IN THE KING-)
DISPOSAL WELL LOCATED 660 FEET FROM)
THE NORTH LINE AND 1980 FEET FROM)
THE WEST LINE OF SECTION 9, TOWNSHIP)
20 SOUTH, RANGE 25 EAST, EDDY COUNTY,)
NEW MEXICO, IN THE DEVONIAN FORMATION)
IN THE INTERVAL BETWEEN 10,300 FEET)
AND 10550 FEET.)
_____)

Oil Conservation Commission
Box 2088
Santa Fe, New Mexico 87501

COMES Roger C. Hanks of Midland, Texas, acting by and through the undersigned attorneys, and hereby makes application for disposal of salt water in the King-Disposal well located 660 feet from the north line and 1980 feet from the west line of Section 9, Township 20 South, Range 25 East, Eddy County, New Mexico, in the Devonian formation in the interval between 10,300 feet and 10,550 feet, and in support thereof respectfully shows:

1. There is attached hereto as Exhibit "A" a plat showing the location of the proposed disposal well and the location of all other wells within a radius of 2 miles from said well and the formations from which said wells are producing or have produced. Said plat also indicates the owners of the oil and gas leases within said 2 mile radius.

2. There is also filed herewith a log of the proposed disposal well.

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


4. It is proposed to dispose of produced salt water in the Devonian formation in the interval from 10,300 feet to 10,550 feet. The volume of produced water to be disposed of will vary from time to time.

5. The disposal of produced salt water in said well will be in the interest of conservation, the prevention of waste and will tend to protect correlative rights.

6. Applicant requests that this matter be included on the examiner's docket for July 7, 1976.

Respectfully submitted,

ROGER C. HANKS

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

Roger Hanks (Approved Dev SWD Well)
Monsanto Foster #1
660' FWL & 660' FNL, 5-20S-25E

Roger C. Hanks
King Disposal Well #1
660' FNL & 1980' FWL, 9-20S-25E

EXHIBIT "A"

BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

APPLICATION OF ROGER C. HANKS FOR)
SALT WATER DISPOSAL IN THE KING-)
DISPOSAL WELL LOCATED 660 FEET FROM)
THE NORTH LINE AND 1980 FEET FROM)
THE WEST LINE OF SECTION 9, TOWNSHIP)
20 SOUTH, RANGE 25 EAST, EDDY COUNTY,)
NEW MEXICO, IN THE DEVONIAN FORMATION)
IN THE INTERVAL BETWEEN 10,300 FEET)
AND 10550 FEET.)
_____)

Oil Conservation Commission
Box 2088
Santa Fe, New Mexico 87501

COMES Roger C. Hanks of Midland, Texas, acting by and through the undersigned attorneys, and hereby makes application for disposal of salt water in the King-Disposal well located 660 feet from the north line and 1980 feet from the west line of Section 9, Township 20 South, Range 25 East, Eddy County, New Mexico, in the Devonian formation in the interval between 10,300 feet and 10,550 feet, and in support thereof respectfully shows:

1. There is attached hereto as Exhibit "A" a plat showing the location of the proposed disposal well and the location of all other wells within a radius of 2 miles from said well and the formations from which said wells are producing or have produced. Said plat also indicates the owners of the oil and gas leases within said 2 mile radius.

2. There is also filed herewith a log of the proposed disposal well.

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


4. It is proposed to dispose of produced salt water in the Devonian formation in the interval from 10,300 feet to 10,550 feet. The volume of produced water to be disposed of will vary from time to time.

5. The disposal of produced salt water in said well will be in the interest of conservation, the prevention of waste and will tend to protect correlative rights.

6. Applicant requests that this matter be included on the examiner's docket for July 7, 1976.

Respectfully submitted,

ROGER C. HANKS

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

Roger Hanks (Approved Dev SWD Well)
Monsanto Foster #1
660' FWL & 660' FNL, 5-20S-25E

Roger C. Hanks
King Disposal Well #1
660' FNL & 1980' FWL, 9-20S-25E

EXHIBIT

BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

APPLICATION OF ROGER C. HANKS FOR)
SALT WATER DISPOSAL IN THE KING-)
DISPOSAL WELL LOCATED 660 FEET FROM)
THE NORTH LINE AND 1980 FEET FROM)
THE WEST LINE OF SECTION 9, TOWNSHIP)
20 SOUTH, RANGE 25 EAST, EDDY COUNTY,)
NEW MEXICO, IN THE DEVONIAN FORMATION)
IN THE INTERVAL BETWEEN 10,300 FEET)
AND 10550 FEET.)
_____)

Oil Conservation Commission
Box 2088
Santa Fe, New Mexico 87501

COMES Roger C. Hanks of Midland, Texas, acting by and through the undersigned attorneys, and hereby makes application for disposal of salt water in the King-Disposal well located 660 feet from the north line and 1980 feet from the west line of Section 9, Township 20 South, Range 25 East, Eddy County, New Mexico, in the Devonian formation in the interval between 10,300 feet and 10,550 feet, and in support thereof respectfully shows:

1. There is attached hereto as Exhibit "A" a plat showing the location of the proposed disposal well and the location of all other wells within a radius of 2 miles from said well and the formations from which said wells are producing or have produced. Said plat also indicates the owners of the oil and gas leases within said 2 mile radius.
2. There is also filed herewith a log of the proposed disposal well.
3. There is attached hereto as Exhibit "B" a diagrammatic sketch of the proposed disposal well showing the casing strings, including diameters and setting depths, quantities used and tops of cement, perforated or open hole intervals, tubing strings, including diameters and setting depths, and the type and location of packer to be used.

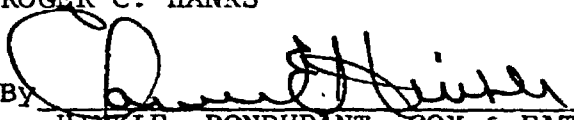
4. It is proposed to dispose of produced salt water in the Devonian formation in the interval from 10,300 feet to 10,550 feet. The volume of produced water to be disposed of will vary from time to time.

5. The disposal of produced salt water in said well will be in the interest of conservation, the prevention of waste and will tend to protect correlative rights.

6. Applicant requests that this matter be included on the examiner's docket for July 7, 1976.

Respectfully submitted,

ROGER C. HANKS

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

Roger Hanks (Approved Dev SWD Well)
Monsanto Foster #1
660' FWL & 660' FNL, 5-20S-25E

Roger C. Hanks
King Disposal Well #1
660' FNL & 1980' FWL, 9-20S-25E

EXHIBIT "A"

KING DISPOSAL WELL #1
660' FNL & 1980' FWL, 9-20-25,
Eddy County, NM

5-29-76 RU Moran Bros.
5-30-76 WO engine change out.
5-31-76 WO engine change out.
6-1-76 WO engine change out.
6-2-76 WO engine change out.
6-3-76 Drlg cmt @ 3350'. First plug 1125-1235'.
6-4-76 Drlg @ 7640'. 2nd plug @ 3350', 3rd plug @ 5000',
4th plug @ 6525'.
OART: Mixing mud.
6-5-76 Drlg @ 8420' (bit stuck @ 7641'; worked free). 5th plug
@ 7700'.
OART: SD to mud up.
6-6-76 9600'. 6th plug @ 9350'.
OART: Circ to condition hole.
6-7-76 Drlg @ 9647', sdy lm & sh.
LD 10 5-3/4" DC's, PU 18 6-1/2" DC's, ran Reed FP63
bit, wash & ream to btm.
OART: drlg.
6-8-76 Drlg @ 9760', sh, lm & sand.
6-9-76 Drlg @ 9866', lm & sh
6-10-76 Drlg @ 9972', lm & sh
6-11-76 Drlg @ 10,179', lm
6-12-76 Drlg @ 10,270', lm & sh
6-13-76 Circ for DST #1 @ 10,338. Top of Devonian @ 10,288.
Description of Dev as follows: white to tan romb. dolo
w/some milky chert, poor fluorescence, slight cut w/some
dead oil stain.
DST #1. 10,290 - 10,338'. Temp 165°. Tool open w/very
weak blow. 30 min preflow, ISI 1 hr, Test 2 hr, FSI 3 hr.
IHP 5049, FHP 5049, RFP 488, RFP 266, ISIP 399, FSIP 266.
2nd re-open, no blow. Rec 75' drlg mud. Closed in tool
for SI. Started out of hole.
6-14-76 Drld 10,338 to 10,555'. Loss circ w/no returns.
Description of Dev prior to loss circ as follows: tan to
brown, mostly dense cherty dolo w/erratic drlg breaks.
No show.
6-15-76 Circ @ 10,300'.
6-16-76 Ran 5 1/2" 17# N-80 csg, set @ 10,333.72'. Cmt as follows:
Primary stage - Halliburton pkr shoe @ 10,300', 275 sx
Class C w/.0068 Halad-22 + 6# salt/sk. First plug down @
12:00 Noon, 6-15-76.
Second Stage - 485 sx Halliburton Lite w/6# salt/sk.
Second plug down @ 6:45 PM, 6-15-76. DV tool set @
3900'.
Third Stage - 870 sx Halliburton Lite w/6# salt/sk.
Plug down @ 2:45 AM, 6-16-76. DV tool set @ 5300'.
Cmt. circ to surface. EOC.

called in by Mr. Hinkle on 6/17/74 for July of
application of Roger C Hanks for SWD
in the "King Disposal Well"

660 FWL

1980 FWL

in 3 pp. form
1st time -
disposal

Sec 9, T 20 S, R 25 E b 1146

Eddy County

dispose of salt water into the Permian
- open hole - 10,300' to 10,550'
to Permian

we have no file on this well

this is the only name I find but

Fed notice of intent (Bill Gressett)
prop to drill to depth sufficient to test Dev.
at 5 1/2 10,200 circa to intermediate

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. 5708

Order No. R- 5250

APPLICATION OF ROGER C. HANKS FOR
SALT WATER DISPOSAL, EDDY COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on July 7, 1976,
at Santa Fe, New Mexico, before Examiner, Daniel S. Nutter.

NOW, on this August day of July, 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, Roger C. Hanks,
is the owner and operator of the King Disposal Well No. 1,
located in Unit C of Section 9, Township 20 South,
Range 25 East, NMPM,
Eddy County, New Mexico.

(3) That the applicant proposes to utilize said well to
dispose of produced salt water into the Devonian
formation, with injection into the open hole interval
from approximately 10,300 feet to 10,550 feet.

(4) That the injection should be accomplished through 3 1/2-inch ~~plastic lined~~ tubing installed in a packer
set at ~~a minimum depth of~~ approximately 1800 feet; that the casing-tubing annulus
should be filled with an inert fluid; and that a pressure gauge
or approved leak detection device should be attached to the

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

5) That the water disposed of in said well should be ~~chemically treated to prevent corrosion and scale~~ ~~with a pop-off valve or acceptable substitute which will~~ ~~limit the wellhead pressure on the injection well to no more~~ ~~than 360 psi, provided~~ ~~however, the Secretary-Director of the Commission should have authority to~~ ~~increase the aforesaid pressure limit if, in his judgement, conditions so~~ ~~warrant.~~ *build-up, and that sample tests should be continued* *and the results thereof filed semi-* *annually with the Commission.*

(6) That the injection well or system should be equipped with a pop-off valve or acceptable substitute which will limit the wellhead pressure on the injection well to no more than three hundred-sixty (360) psi, provided however, the Secretary-Director of the Commission should have authority to increase the aforesaid pressure limit if, in his judgement, conditions so warrant.

See
under

IT IS THEREFORE ORDERED:

(1) That the applicant, Roger C. Hanks, is hereby authorized to utilize its King Disposal Well No. 1, located in Unit C of Section 9, Township 20 South, Range 25 East, NMPM, Eddy County, New Mexico, to dispose of produced salt water into the Devonian formation, injection to be accomplished through 3 1/2-inch tubing installed in a packer set at a minimum depth of 1800 feet, with injection into the open hole interval from approximately 10,300 feet to 10,550 feet;

PROVIDED HOWEVER, ~~that the tubing shall be plastic lined,~~ that the casing-tubing annulus shall be filled with an inert fluid; and that a pressure gauge shall be attached to the annulus or the annulus shall be equipped with an approved leak detection device in order to determine leakage in the casing, tubing, or packer.

SCALE

water disposed of into said well shall be
(2). That the ~~injection well or system shall be equipped~~
~~chemically treated to prevent corrosion and scale~~
~~with a pop-off valve or acceptable substitute which will~~
~~build-up, and Corrosion and Corrosion tests shall~~
~~limit the wellhead pressure on the injection well to no~~
~~be continuously conducted and the results thereof~~
~~more than 700 psi.~~ *filed semi-annually with the Artesia District Office of the Commission.*

(4) That the operator shall notify the supervisor of the Artesia District Office of the Commission of the date and time of the installation of disposal equipment so that the same may be inspected.

(5) That the operator shall immediately notify the supervisor of the Commission's Artesia District Office of the failure of the tubing, casing, or packer, in said well or the leakage of water from or around said well and shall take such steps as may be timely and necessary to correct such failure or leakage.

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

(7) 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) That the injection well or system shall be equipped with a pop-off valve or acceptable substitute which will limit the wellhead pressure on the injection well to no more than three hundred-sixty (360) psi, provided however, the Secretary-Director of the Commission shall have the authority to increase the aforesaid pressure limit upon satisfactory showing that such pressure limit increase is warranted.