

CASE 3265: Application of COASTAL
STATES GAS PRODUCING CO. for salt
water disposal, Lea County.

CASE No.

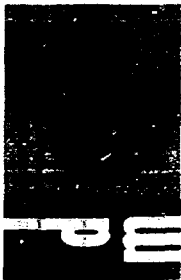
3265

Application,
TRANSCRIPTS,
SMALL Exhibits
ETC.

dearnley-meier reporting service, inc.

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

1120 SIMMS BLDG. • P.O. BOX 1092 • PHONE 243-6691 • ALBUQUERQUE, NEW MEXICO
1213 FIRST NATIONAL BANK EAST • PHONE 256-1294 • ALBUQUERQUE, NEW MEXICO



STATE OF NEW MEXICO)
) ss
COUNTY OF BERNALILLO)

I, ADA DEARNLEY, Notary Public in and for the County of Bernalillo, State of New Mexico, do hereby certify that the foregoing and attached Transcript of Proceedings before the New Mexico Oil Conservation Commission was reported by me, and that the same is a true and correct record to the best of my knowledge, skill and ability.

WITNESS my Hand and Seal this 9th day of June, 1965.

Ada Dearnley
ADA DEARNLEY

My Commission Expires:

June 19, 1967.

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 3265, heard by me on 6-9-1965.

Thos. P. [Signature] Examiner
New Mexico Oil Conservation Commission

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PAGE 9

other statements in this case. The case will be taken
under advisement.

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the subject well in the same formation from which produced. Do you anticipate that this might have any affect on the oil production from the existing wells?

A We intend to keep accurate records on all water injected in this well and we intend to watch the pressure in the offset producing wells for any indication of pressure maintenance benefits. If this happens we anticipate expanding this project to a field wide pressure maintenance project.

MR. HINKLE: I believe that's all. We would like to offer in evidence Exhibits 1 through 7 inclusive.

MR. UTZ: Without objection Exhibits 1 through 7 will be added into the record of this case.

(Whereupon Exhibits 1 through 7 were added into the record.)

CROSS-EXAMINATION

BY MR. UTZ:

Q I believe that your application states particularly in regard to Exhibit Number 2 that you will put a noncorrosive fluid in the annulus, is it your intention to also put a surface gauge on the annulus to assist in detecting any leaks you might have?

A Yes, sir, we certainly intend to do this.

MR. UTZ: Are there any other questions of the witness. The witness may be excused. Are there any

A Yes, it is typical of the producing water from the San Andres zone.

Q All of the water is quite similar?

A Yes, sir.

Q It indicates that is is the same water?

A Yes, sir.

Q Is there anything unusual about the water as shown by Exhibit 6?

A No, sir. It shows a chloride content of 118,700 parts per million which is rather salty but not saturated salt water.

Q Did you furnish a copy of this application and a copy of the water analysis to the state engineer?

A Yes, sir. We have and I was informed that he has received this copy of this analysis.

Q Refer to Exhibit 7.

A Exhibit 7 is a letter from the State Engineer to the Secretary Director of the Oil Conservation Commission with reference to this application stating they have no objection provided they are supplied with a copy of the analysis of the water to be injected and we have complied with this request.

Q I believe you have testified that the water being produced from the San Andres is going to be injected in

shows that the subject well is approximately 50 feet lower structurally than any oil producing well in this field so we intend to inject this water in other words, back into the same zone that is producing oil, however, at least 50 feet below the water-oil contact.

Q Any further comments with regard to Exhibit Number 5?

A Not at this time.

Q That does show the ownership of the lease-hold in the area?

A Yes, it does.

Q Have all of the offset owners been advised of this application?

A Yes, sir, they have.

Q Have you had any rejections from any of them?

A No, in fact we have had letters of approval from all offset operators.

Q Did you have water analysis made of the water which is being produced from the San Andres formation?

A Yes, sir, we have several water analyses taken from different wells and the one we show here is a typical sample that was analysed. This was from the Southern Minerals Number 2-21.

Q This is Exhibit Number 6 that you're referring to?

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purpose of checking your cement job?

A Yes, sir. On the seven and five-eighths casing just after it was run and cemented, well twenty-four hours later a temperature survey was run and it shows the top of the cement to be 3,580.

Q Is that your Exhibit Number 3, that shows that?

A Yes, this shows good fillup and we will set our packer then approximately a 1,000 feet below the top of this. We'll be setting our packer at 4,500, which is more than adequate, we feel to insure protection of any water.

Q Did you run an electrical log of this well?

A Yes, sir. Exhibit 4 is a section of the gamma ray neutron log that was run in this well and it shows the zone, the slaughter zone of the San Andres formation and the perforated interval. This is the zone we intend to dispose of the water.

Q What depth is it perforated?

A 4,545 to 4,555 and also from 4,585 to 4,590.

Q Have you prepared or has there been prepared under your direction a structural map of this area?

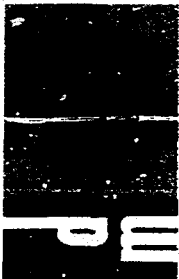
A Yes, sir, Exhibit 5 is a structure map of the San Andres formation. It's a structure map on top of the San Andres, the slaughter zone of the San Andres and it

A Exhibit Number 2 shows or is a diagrammatic sketch of the subject well and it shows that the well was originally drilled to 8,691 and this was in January of 1964. The Abo formation was tested from 8,632 to 67700 and found to be dry. A bridge plug was set at 8,500 two sacks of cement, the four and half inch casing was shot off at 7,495 and pulled. The plug was set at the stub of this casing, 25-sack cement plug at 6,000 feet and the 50-sack cement was put at the bottom of a seven and five-eighths inch casing which was set at 4,700. This left the San Andres formation at approximately 4,500 feet or so. We were still completed through that zone, in other words we had pipes set through that zone so then this year we tested the San Andres Slaughter zone of the San Andres formation in this well at 4,545 to 555 and 4,585 to 90 and found this well produces 100% salt water from this zone so we proposed to dispose of all produced San Andres salt water through plastic coated tubing with a packer set at approximately 4,500 feet.

Q You also set a tension packer in connection with the bottom of the tubing?

A That's right. The annular space above this packer will be filled with a noncorrosive fluid.

Q Now, did you make a temperature survey for the



States in Case No. 3265?

A Yes, sir, I am.

Q What is Coastal States seeking by this application?

A We seek permission to convert the Coastal States Gas Producing Company's Southern Minerals, State No. 1-15 well which is currently temporarily abandoned to a salt water disposal well.

Q Refer to Coastal State's Exhibit Number 1 and explain that to the Commission.

A Exhibit Number 1 is a plat of the Flying "M" San Andres Field. The subject well is indicated in yellow. The blue dots on the map indicate Abo wells which are producing from approximately 8,600 feet and are not affected in this but they are in the Flying "M" Abo Field which is the same area as the Flying "M" San Andres Field. The other small black dots represent the San Andres wells in the Flying "M" San Andres Field. I believe there are thirty-one wells now.

Q All of these wells are producing from a depth of approximately 4,300 feet in the San Andres formation?

A Yes, sir, 4,300 to 4,500 beginning on the structural location.

Q Now refer to Exhibit Number 2 and explain what that is and what it shows.

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PAGE 2

MR. HINKLE: Clarence Hinkle, Hinkle, Bondurant & Christy, Roswell, New Mexico representing Coastal States. We have one witness. Mr. Jack McGraw and I would like to have him sworn at this time.

(Witness Sworn.)

MR. HINKLE: We have seven exhibits which we would like to have marked as Exhibit 1 through 7 inclusive.

(Whereupon, Exhibits 1 through 7 were marked for identification.)

DIRECT EXAMINATION

BY MR. HINKLE:

Q State your name, please.

A My name is Jack McGraw.

Q By whom are you employed, Mr. McGraw?

A By Coastal States Gas Producing Company.

Q What capacity?

A As District Engineer.

Q Have you previously testified before the Oil Conservation Commission?

A Yes, sir, I have.

Q Your qualifications are a matter of record before the Commission?

A Yes, sir, they are.

Q Are you familiar with the application of Coastal

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PAGE 1

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
June 9, 1965

EXAMINER HEARING

IN THE MATTER OF:
Application of Coastal States Gas Producing
Company for salt water disposal, Lea
County, New Mexico.

Case No. 3265

BEFORE:
Elvis A. Utz, Examiner.

TRANSCRIPT OF HEARING

Exhibit A 7

May 27, 1965

Mr. A. L. Porter, Jr.
Secretary-Director
Oil Conservation Commission
Santa Fe, New Mexico

Dear Mr. Porter:

Reference is made to the application of Coastal States Gas Producing Company which seeks approval for salt water disposal into Southern Minerals No. 1-15 well in the Flying "M" (San Andres) Field. Study of the application and the diagrammatic sketch indicates that there should be no threat of contamination to any fresh waters which may exist in the area. Therefore, this office offers no objection to the granting of the application, provided the well is constructed and equipped in the manner set forth in the application and the diagrammatic sketch, and further provided that the State Engineer is forthwith furnished a copy of the analysis of the water to be disposed of. No analysis was attached to the copy of the application forwarded to this office.

Yours truly,

FEI/ma
cc-Coastal States Gas Prod. Co.
F. H. Hennighausen

S. E. Reynolds
State Engineer

By:
Frank E. Irby
Chief
Water Rights Div.



WATER DIVISION OF THE

CHEMICAL COMPANY

FIELD LABORATORY REPORT

WATER ANALYSIS

Exhibit #6

TO: Coastal States Gas Producing
Company
Box 385
Abilene, Texas

LABORATORY LOCATION	REPORT NUMBER
Hobbs, N.M.	1164
COMPANY	WELL
Coastal States	Southern Mineral 2-21
POOL	LOCATION
Fluvial M	
COUNTY	STATE
Lee	New Mexico
FORMATION	DEPTH
San Andres	
SUBMITTED BY	TESTS DESIRED
Mr. J. Howard	N/A

DATE SAMPLE SUBMITTED

6-6-64

SAMPLE SOURCE

Swab line

	PPM	EPM		PPM	EPM
CALCIUM	2260	111	CHLORIDE	118700	3320
MAGNESIUM	918	78	SULFATE	2800	59
SODIUM	71500	3200	BICARBONATE	607	10
IRON			CARBONATE		
HYDROGEN SULFIDE	Strong Odor		HYDROXIDE		

SPECIFIC GRAVITY

1.154

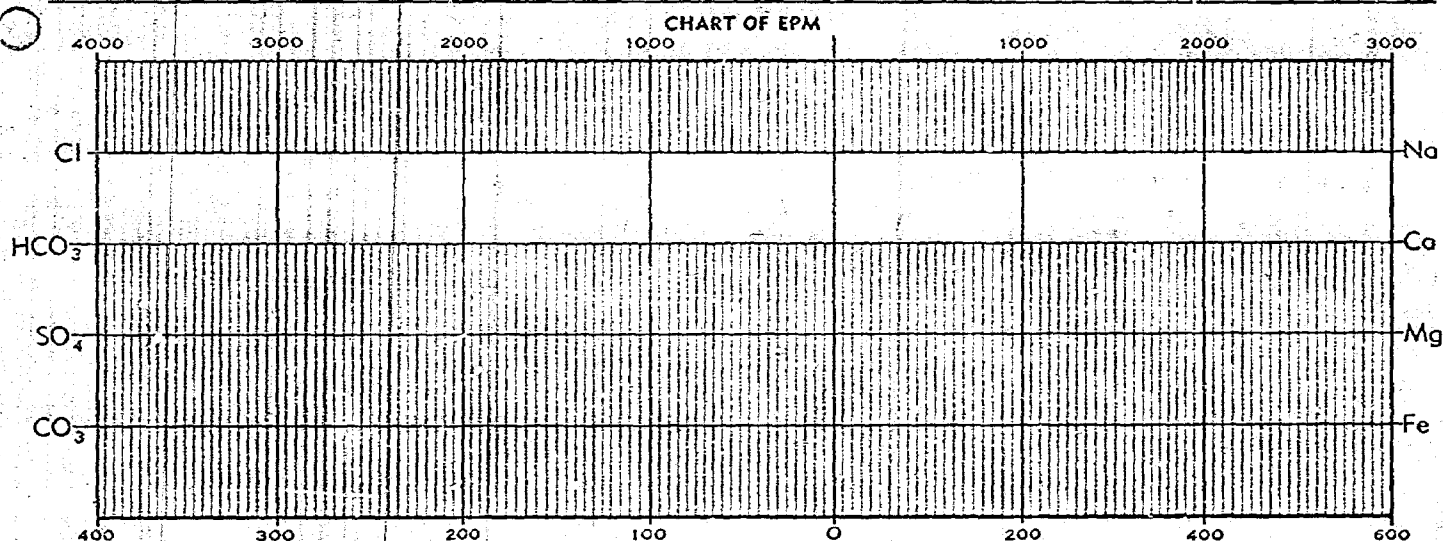
AT 91

°F pH

5.4

CaCl₂/MgCl₂

% SALT SATURATION



REMARKS:

About Same as Redfin #1 But alot less Ca & Mg than shell State #2
(Which may have still had some spent acid water init.

F.F. Flippen 6-6-64

CHEMIST

DATE

DWL-451-B



Geological Survey - Oklahoma

Exhibit #4

COMPANY COASTAL STATES GAS

RETURN TO FILE COASTAL STATES GAS

PERMANENT FILE COASTAL STATES GAS

GEOLOGICAL DEPT. SOUTHERN MINERALS STATE #1-15

FIELD FLYING M

COUNTY LEA STATE NEW MEXICO

Location: C NW 1/4 of SW 1/4

Other Services: L. CALDER

Sec. 15 Twp. 7S Rge. 33E

Permanent Datum: G1 Elev.: 4364.3

Log Measured From K8 Elev.: 4378

Drilling Measured From K8 D.F. G1.4364.3

Date 1-6-7-64

Run No. 7410

Type Log GRV

Depth—Driller 8631

Depth—Logger 8635

Bottom logged interval 8634

Two logged interval 8634

Fluid in hole SHALTY, STARCHY, OIL, PRES.

Salinity PPM Cl. 43,000

Density 1.5

Level FULL

Max rec. temp, deg F. 12.5

Operating rig time 4 hours

Recorded by SCHAEFER

Witnessed by MILFORD

BORE-HOLE RECORD				CASING RECORD			
Run No.	Bit	From	To	Size	Wgt.	From	To
2	8 3/4	4700	8691	758		SURF	4700

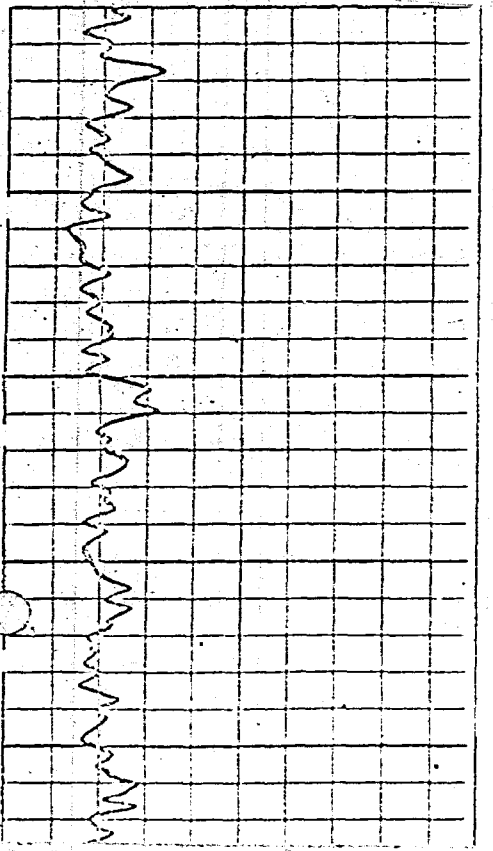
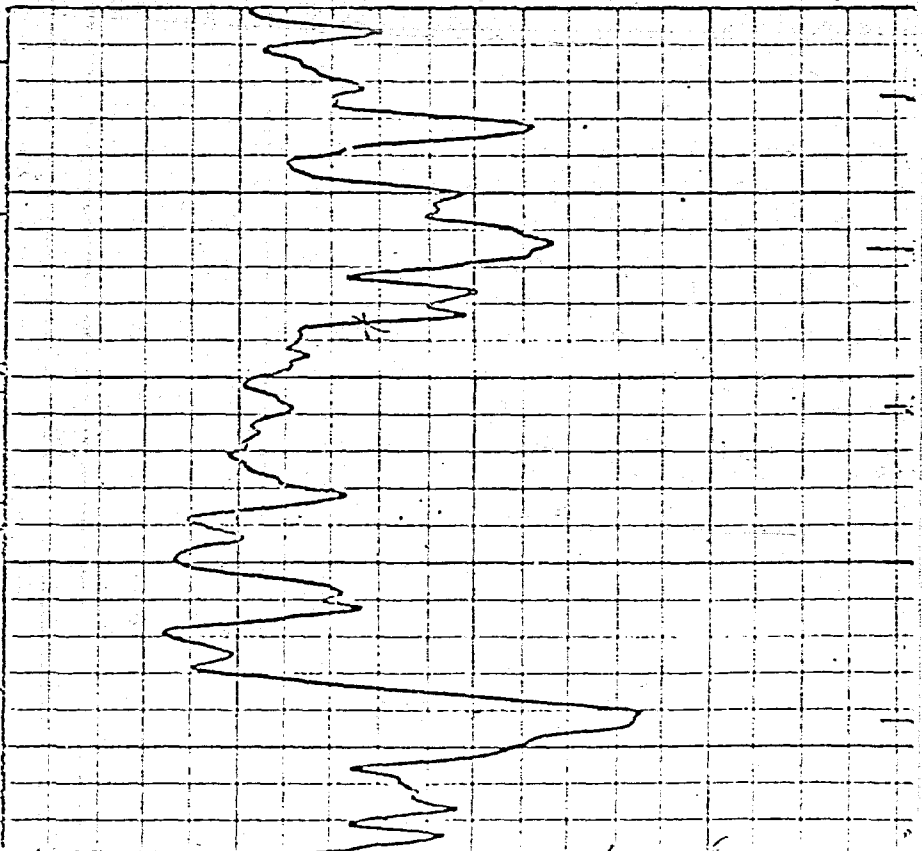


Exhibit #3



NEW MEXICO

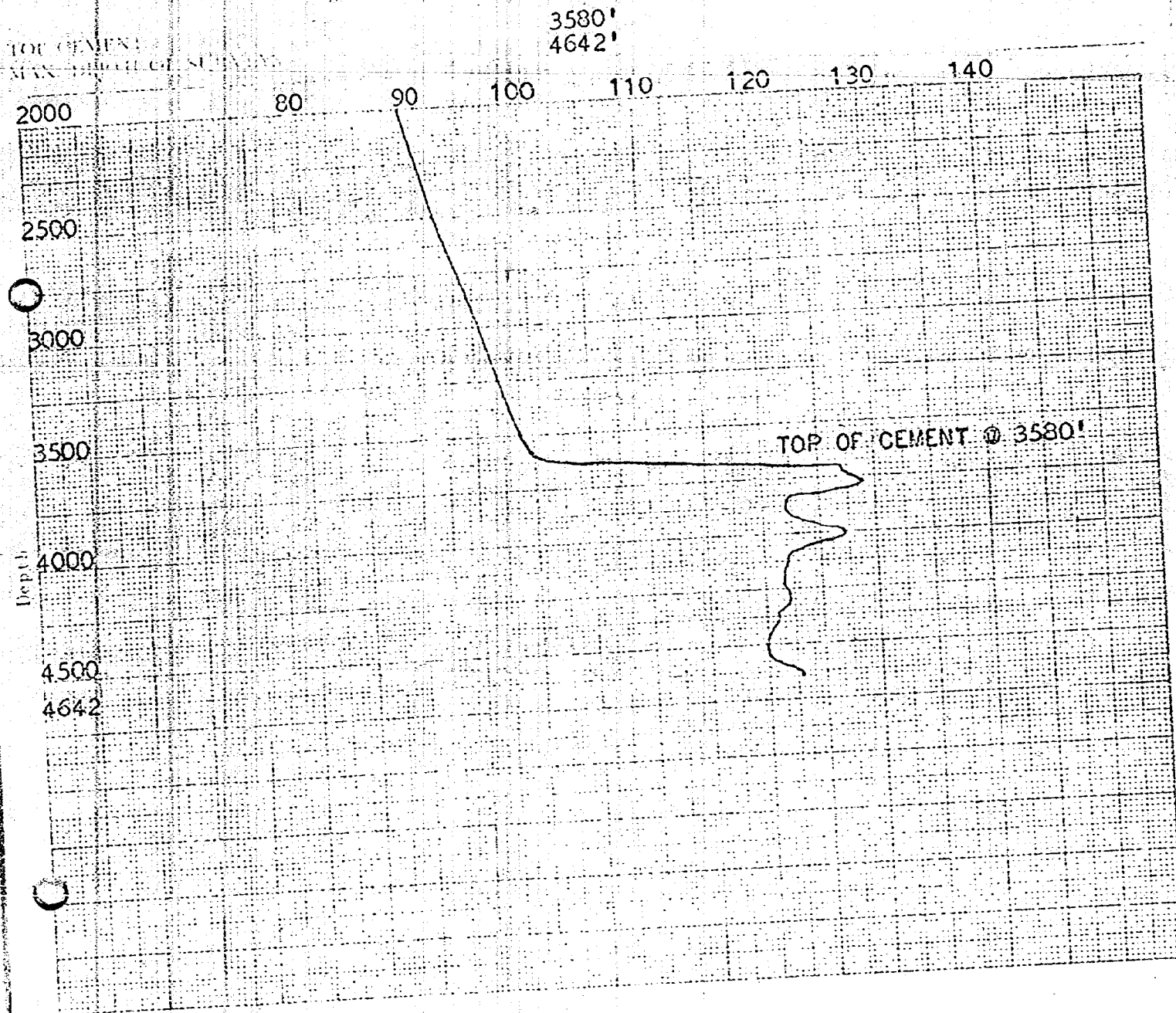
INTERMEDIATE SURVEY

OPERATOR COASTAL STATES GAS PRODUCING CO.
FIELD UNDESIGNATED
LEASE SOUTHERN MINERALS
DATE 12-11-63
RECORDED BY STINSON
WITNESSED BY DRILLER
REMARKS

No. 1-15
11:00 AM

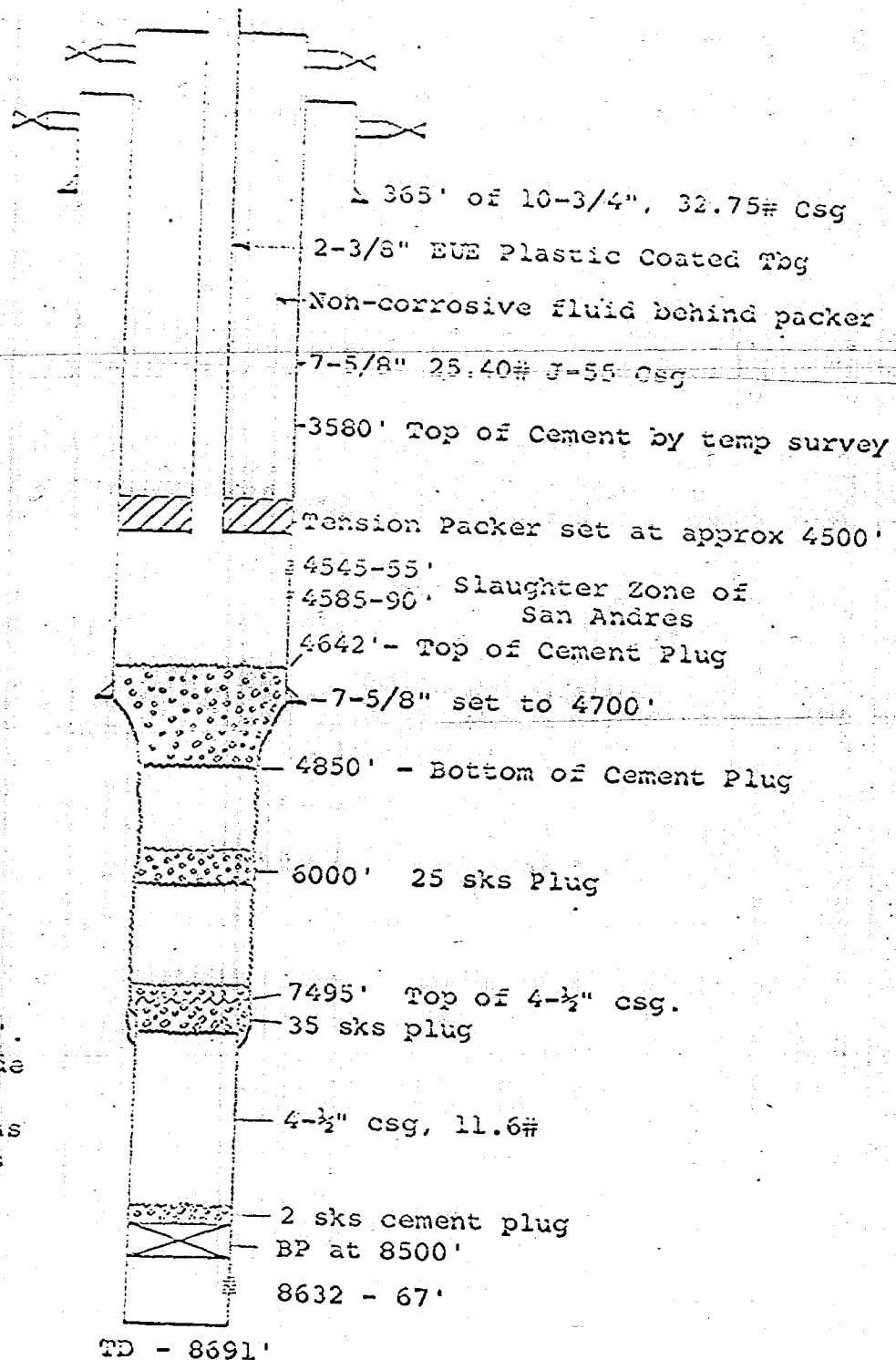
7 5/8"
4700'

9 5/8"
12:00 MIDNITE
DOWELL
KB
400 SX CLASS G + 2% GEL



COASTAL FORMER OIL PRODUCTION PLATFORM
SOUTHERN MINERALS #1-15
Branched Salt Water Disposal Well

Exhibit "2"

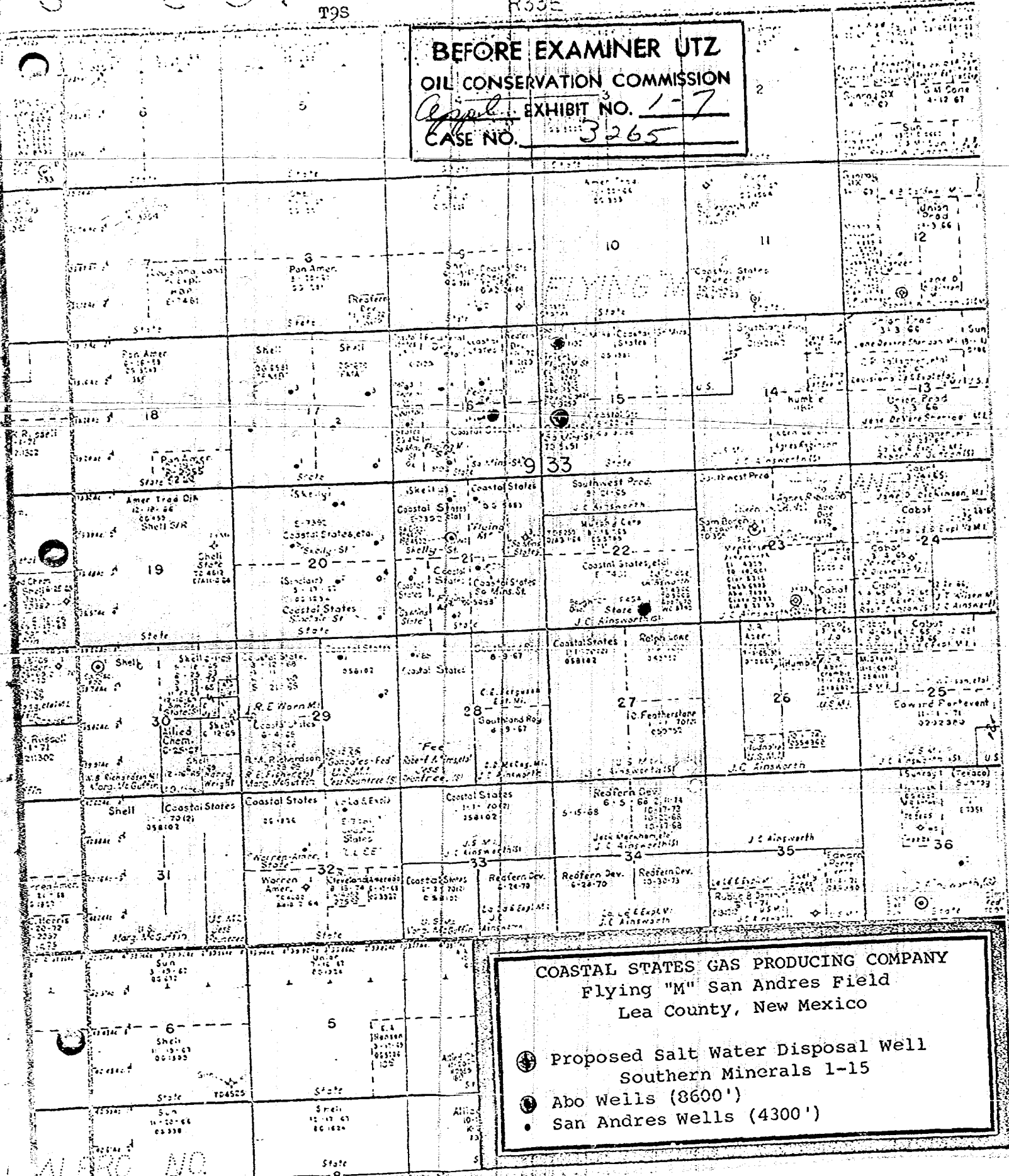


4-1/2" casing was set to 8691'.
A completion attempt was made
at 8632 - 67'.
Zone was later plugged off as
indicated and the 4-1/2" was
pulled from 7495'.

T9S

R33E

BEFORE EXAMINER UTZ
OIL CONSERVATION COMMISSION
Copy EXHIBIT NO. 1-7
CASE NO. 3265



COASTAL STATES GAS PRODUCING COMPANY
Flying "M" San Andres Field
Lea County, New Mexico

- Proposed Salt Water Disposal Well
Southern Minerals 1-15
- Abo Wells (8600')
- San Andres Wells (4300')

ALERO NO.

PHONE OR 4-8191

P. O. BOX 2498

COASTAL STATES GAS PRODUCING COMPANY
NORTH TEXAS DIVISION
614 CITIZENS NATIONAL BANK BUILDING
ABILENE, TEXAS

May 3, 1965

Redfern & Herd, Inc.
P. O. Box 1747
Midland, Texas

Re: Southern Minerals No. 1-15,
Proposed Salt Water Disposal Well,
Flying "M" (San Andres) Field,
Lea County, New Mexico

Gentlemen:

We attach for your information a copy of our application to
convert the subject temporarily abandoned well to a salt water
disposal well.

If you have no objection to the approval of this application,
please sign in the space provided below and return one copy of
letter to this office for forwarding to the New Mexico Oil
Conservation Commission.

We appreciate your cooperation in this matter.

Very truly yours,

Jack R. McGraw

Jack R. McGraw
Division Engineer

JRMCG/ec
Enc.

Redfern & Herd, Inc.

By *John Redfern*

Date 5-8-65

Case 3265

OIL CONSERVATION COMMISSION
I DISTRICT

OIL CONSERVATION COMMISSION
BOX 871
SANTA FE, NEW MEXICO

DATE May 13, 1965

Re: Proposed NSP _____

Proposed NWU _____

Proposed NSL _____

Proposed NFO _____

Proposed DC _____

SWD X

Gentlemen:

I have examined the application dated 5/10/65

for the Coastal States Gas Prod. Co. Southern Minerals State #1 15-9-33
Operator Lease and Well No. S-T-R

and my recommendations are as follows:

Injection of water into Flying M San Andres producing zone. Recommend a Hearing---E.F.E.

Located less than one mile from Flying M San Andres Pool. The Slaughter zone of
the San Andres is the oil producing zone of the Flying M. San Andres---J.W.R.

Yours very truly,

Ean

*Have they been contemplating to observe production data
of B H P. to decide if flooding down the road was
feasible - Flooding pattern would possibly be peripheral
Ean*

COASTAL STATES GAS PRODUCING COMPANY

NORTH TEXAS DIVISION
614 CITIZENS NATIONAL BANK BUILDING
ABILENE, TEXAS

May 3, 1965

Shell Oil Company
P. O. Box 1858
Roswell, New Mexico

Re: Southern Minerals No. 1-15,
Proposed Salt Water Disposal Well,
Flying "M" (San Andres) Field,
Lea County, New Mexico

Gentlemen:

We attach for your information a copy of our application to
convert the subject temporarily abandoned well to a salt water
disposal well.

If you have no objection to the approval of this application,
please sign in the space provided below and return one copy
of letter to this office for forwarding to the New Mexico Oil
Conservation Commission.

We appreciate your cooperation in this matter.

Very truly yours,

Jack R. McGraw

Jack R. McGraw
Division Engineer

JRMCG/ec
Enc.

Shell Oil Company

By *J. D. Jones*

Date 5-11-65

P. O. BOX 2496

PHONE OR 4-8191

COASTAL STATES GAS PRODUCING COMPANY
NORTH TEXAS DIVISION
614 CITIZENS NATIONAL BANK BUILDING
ABILENE, TEXAS

Page 3265

May 14, 1965

New Mexico Oil Conservation Commission
P. O. Box 1980
Hobbs, New Mexico

Gentlemen:

We are attaching a copy of letter of approval from
Shell Oil Company on our "Application to Dispose of
Salt Water" on our Southern Minerals State 15 No. 1
well, Unit L, Sec 15, T-9S, R-33E, Lea County, New
Mexico.

Very truly yours,

Jack R. McGraw

Jack R. McGraw
Division Engineer

JRMCG/ec
Enc.

DOCKET MAILED

Date 5-27-65

P. O. BOX 2498

PHONE OR 4-8191

COASTAL STATES GAS PRODUCING COMPANY
NORTH TEXAS DIVISION
614 CITIZENS NATIONAL BANK BUILDING
ABILENE, TEXAS

1965 MAY 14

May 12, 1965

Chn 3265

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

Gentlemen:

Enclosed herewith please find two copies of our "Application to Dispose of Salt Water" on our Southern Minerals State #1-15, located in Unit L, Sec 15, T-9S, R-33E, Lea County, New Mexico. This well was temporarily abandoned on February 22, 1964.

This application was submitted to the NMOCC in Hobbs by mistake. Therefore, we are sending copies of correspondence and all forms which were submitted to that office.

Very truly yours,

Jack R. McGraw

Jack R. McGraw *by*
Division Engineer

JRMCG/ec
Enc.

P. O. BOX 2498

PHONE OR 4-8191

COASTAL STATES GAS PRODUCING COMPANY
NORTH TEXAS DIVISION
614 CITIZENS NATIONAL BANK BUILDING
ABILENE, TEXAS

May 3, 1965

Shell Oil Company
P. O. Box 1858
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We appreciate your cooperation in this matter.

Very truly yours,

Jack R. McGraw
Division Engineer

JRMCG/ec
Enc.

Shell Oil Company

By _____

Date _____

Chen 3265

COASTAL STATES GAS PRODUCING COMPANY

NORTH TEXAS DIVISION
614 CITIZENS NATIONAL BANK BUILDING
ABILENE, TEXAS

May 3, 1965

Mr. Frank Irby
State Engineer
P. O. Box 1079
Santa Fe, New Mexico

Re: Southern Minerals No. 1-15,
Proposed Salt Water Disposal Well,
Flying "M" (San Andres) Field,
Lea County, New Mexico

Gentlemen:

We attach for your information a copy of our application to
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Very truly yours,

Jack R. McGraw
Division Engineer

JRMCG/ec
Enc.

State Engineer

Date _____

YAL

'65 MAY 17 AM 11

Chas. 3265

P. O. BOX 2498

PHONE OR 4-8191

COASTAL STATES GAS PRODUCING COMPANY
NORTH TEXAS DIVISION
614 CITIZENS NATIONAL BANK BUILDING
ABILENE, TEXAS

May 3, 1965

Redfern & Herd, Inc.
P. O. Box 1747
Midland, Texas

Re: Southern Minerals No. 1-15,
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Conservation Commission.

We appreciate your cooperation in this matter.

Very truly yours,

Jack R. McGraw
Division Engineer

JRMCG/ec
Enc.

Redfern & Herd, Inc.

By _____

Date _____

MAILED 1965

'65 MAY 17 AM 8 30

Case 3265

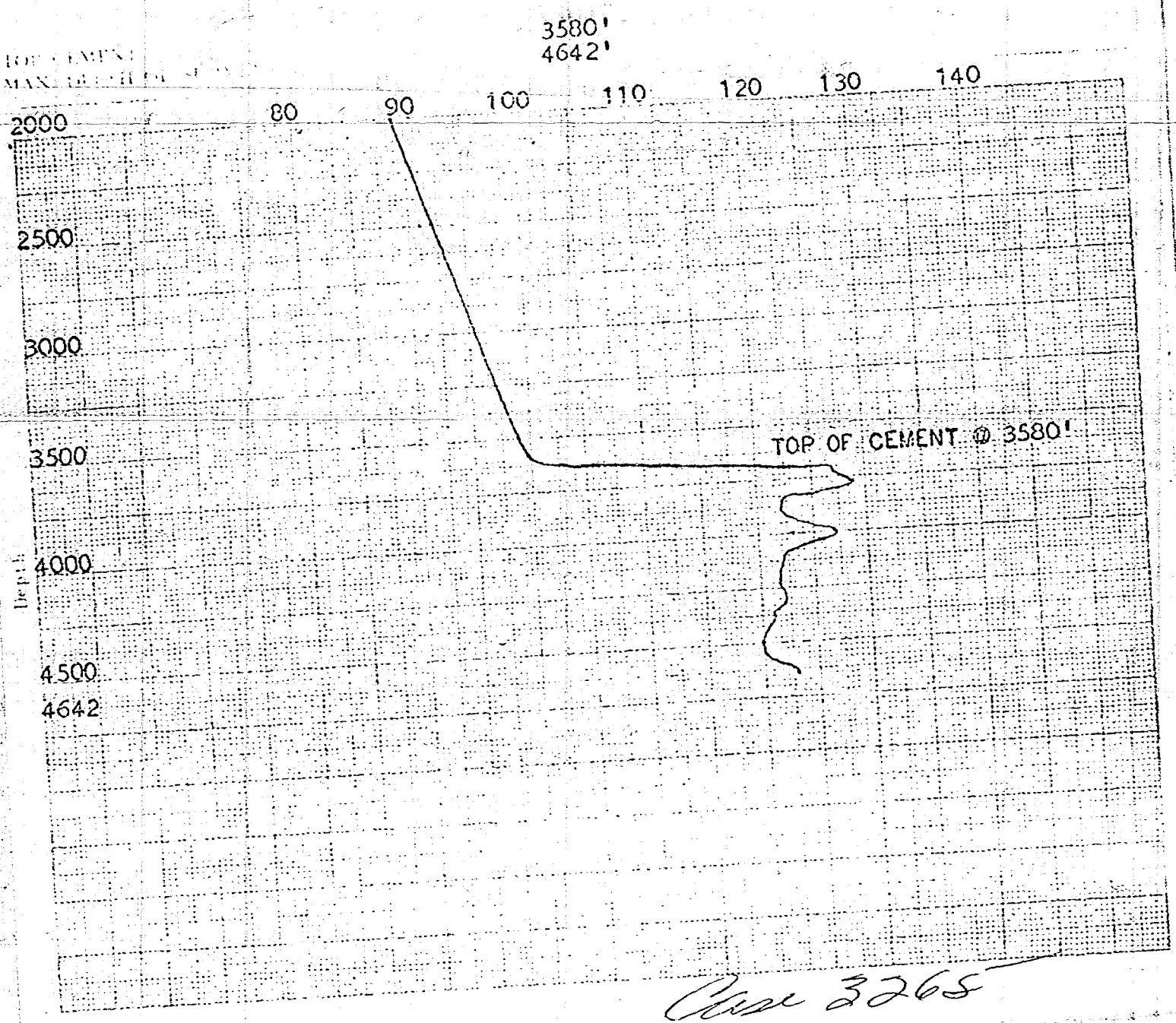


COASTAL STATES GAS PRODUCING CO.
UNDESIGNATED
SOUTHERN MINERALS
12-11-63
STINSON
DRILLER
REMARKS

No. 1-15
11:00 AM

7 5/8"
4700'

9 5/8"
INTERMEDIATE
12:00 MIDNITE
DOWELL
KB
400 SX CLASS G + 2% GEL



Case 3265



DOWELL DIVISION OF THE W. CHEMICAL COMPANY

FIELD LABORATORY REPORT

WATER ANALYSIS

TO: Coastal States Gas Producing
Company
Box 385
Abilene, Texas

LABORATORY LOCATION	Hobbs, N.M.	REPORT NUMBER	1194
COMPANY	Coastal States	WELL	outborn Mineral 2-21
POOL	Flying M	LOCATION	
COUNTY	Lee	STATE	New Mexico
FORMATION	San Andres	DEPTH	
SUBMITTED BY	Mr. J. Howard	TESTS DESIRED	N/A

DATE SAMPLE SUBMITTED

6-6-64

SAMPLE SOURCE

Swab line

	PPM	EPM		PPM	EPM
CALCIUM	2260	111	CHLORIDE	118700	3320
MAGNESIUM	948	78	SULFATE	2800	59
SODIUM	74500	3200	BICARBONATE	607	10
IRON			CARBONATE		
HYDROGEN SULFIDE	Strong Odor		HYDROXIDE		

SPECIFIC GRAVITY

1.154

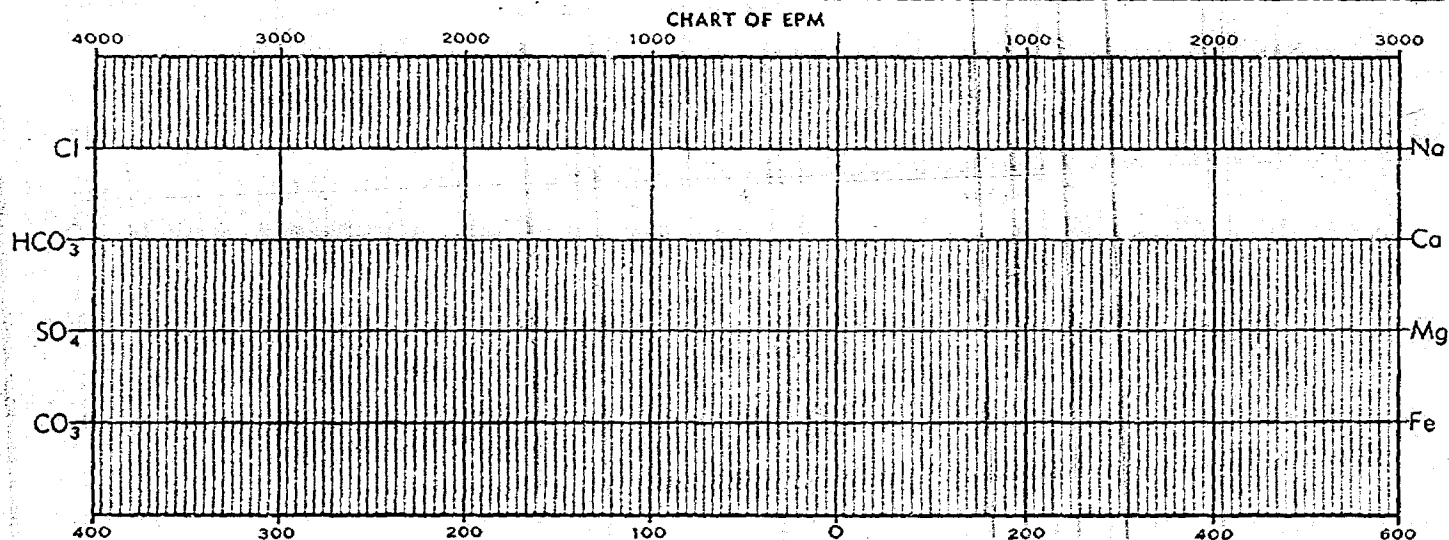
AT 91

°F pH

5.4

CaCl₂/MgCl₂

% SALT SATURATION



REMARKS:

About Same as Redfin #1 But alot less Ca & Mg than shell State #2
(Which may have still had some spent acid water init.

F.F. Flippen

6-6-64

CHEMIST

DATE

DWL-451-B

Case 3265

COASTAL STATES GAS PRODUCING COMPANY

PROPOSED SALT WATER DISPOSAL WELL

PERTINENT INFORMATION

Well Name - Southern Minerals State No. 1-15

Proposed Disposal Zone - Slaughter Zone of the San Andres Formation,
Permian Age

Depth - 4545 - 55' and 4584 - 90'

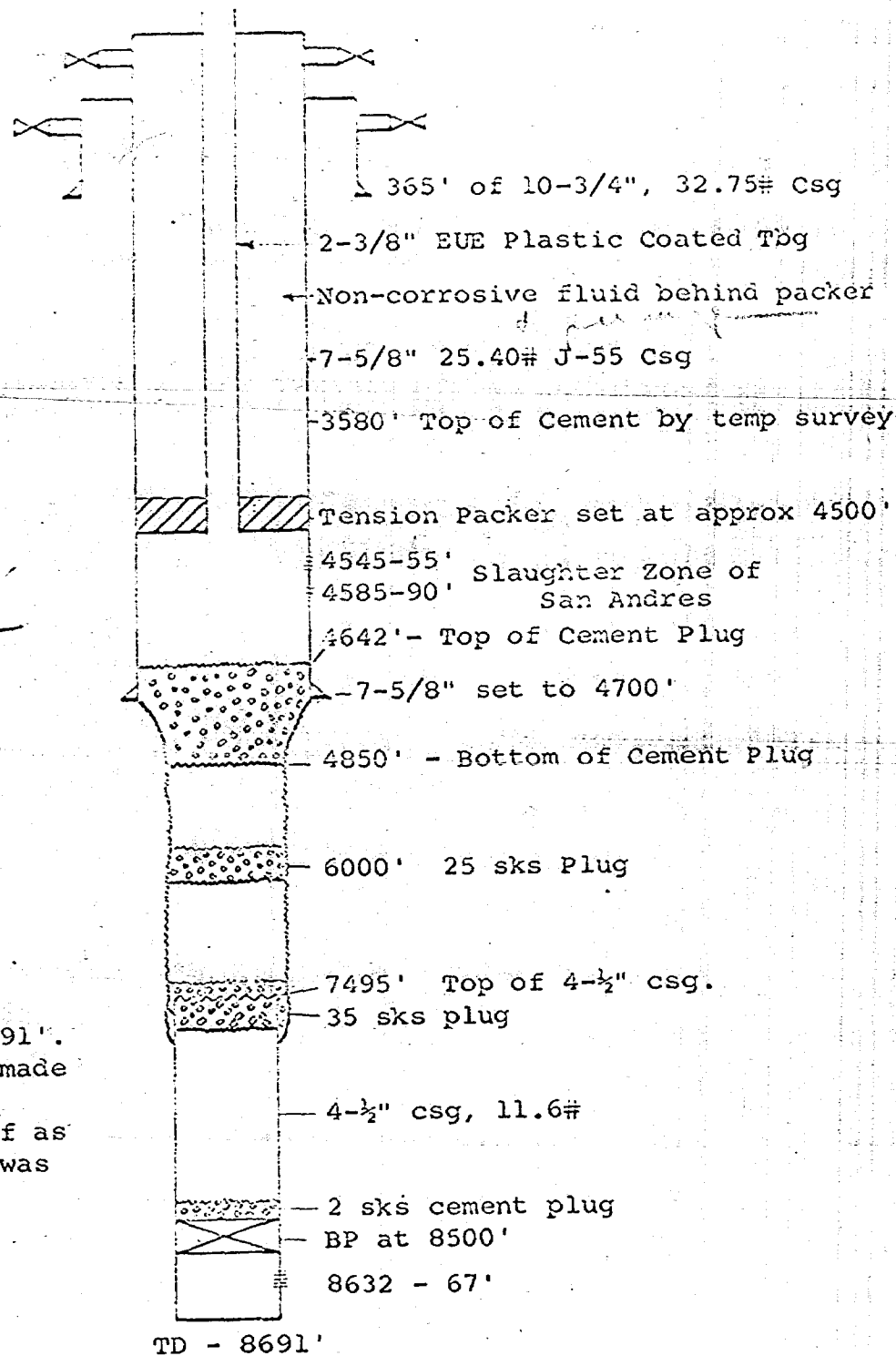
Kind of Fluid to be Injected - Produced Salt Water from the Flying
"M" (San Andres) Field (see attached
Analysis)

Anticipated Volumes - 200 - 600 BPD

Anticipated Injection Pressures - 0 - 2000 psi

Case 3265

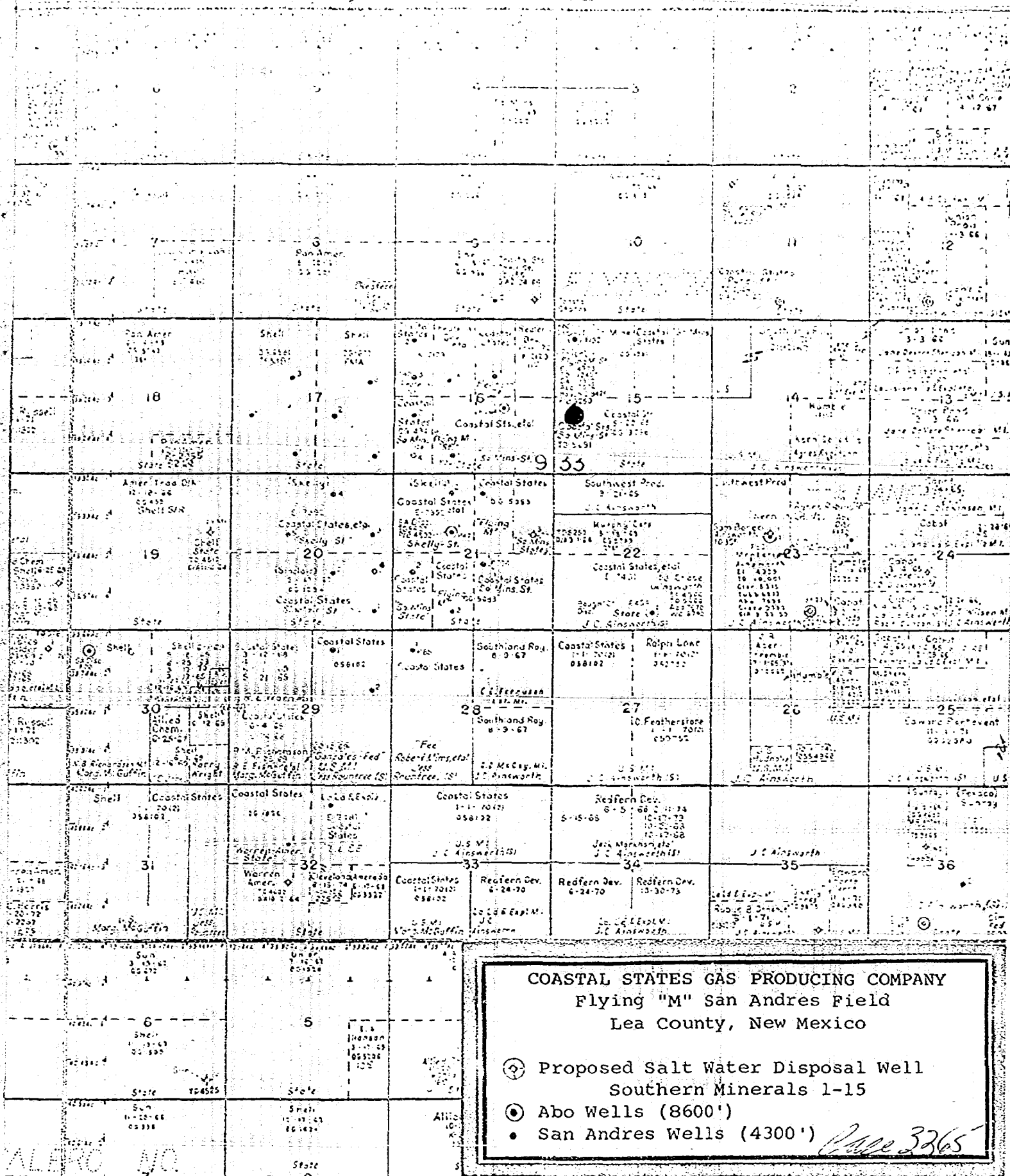
COASTAL STATES GAS PRODUCING COMPANY
SOUTHERN MINERALS #1-15
Proposed Salt Water Disposal Well



142 ft.
open

4-1/2" casing was set to 8691'.
A completion attempt was made
at 8632 - 67'.
Zone was later plugged off as
indicated and the 4-1/2" was
pulled from 7495'.

Case 3265



NO. OF COPIES RECEIVED	
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SANTA FE	
FILE	
U.S.G.S.	
LAND OFFICE	
OPERATOR	

NEW MEXICO OIL CONSERVATION COMMISSION

Form C-103
Supersedes Old
C-102 and C-103
Effective 1-1-65

5a. Indicate Type of Lease
State ☒ Fee ☐
5. State Oil & Gas Lease No.
OG - 3798

SUNDY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT -" (FORM C-101) FOR SUCH PROPOSALS.)	
1. OIL WELL ☐ GAS WELL ☐ OTHER ☒ Temporarily Abandoned Well	7. Unit Agreement Name
2. Name of Operator Coastal States Gas Producing Company	8. Farm or Lease Name Southern Minerals State 15
3. Address of Operator P. O. Box 2498, Abilene, Texas	9. Well No. 1
4. Location of Well UNIT LETTER L 664.95 FEET FROM THE West LINE AND 1978.02 FEET FROM THE South LINE, SECTION 15 TOWNSHIP 9-S RANGE 33-E NMPM.	10. Field and Pool, or Wildcat Flying "M" (Abo)
15. Elevation (Show whether DF, RT, GR, etc.) 4366.4' GL	12. County Lea

Check Appropriate Box To Indicate Nature of Notice, Report or Other Data NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK ☐	PLUG AND ABANDON ☐	REMEDIAL WORK ☒	ALTERING CASING ☐
TEMPORARILY ABANDON ☐	CHANGE PLANS ☐	COMMENCE DRILLING OPNS. ☐	PLUG AND ABANDONMENT ☐
PULL OR ALTER CASING ☐	OTHER ☐	CASING TEST AND CEMENT JOBS ☐	OTHER ☐

17. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1703.

Temporarily Abandoned on 2-22-64.

PBTD: 4642' 7-5/8" casing set at 4706'.

April 26, 1965: Perforated csg from 4585 - 90'.

April 28, 1965: Acidized w/ 500 gals MCA. Results: Swabbed 10 bbls, 100% salt water.

April 29, 1965: Perforated at 4545 - 55'. Ran RTTS and Bridge plug at 4570' and RTTS at 4510'. Acidized with 500 gals MCA. Results: Swabbed 16 bbls, 100% salt water.

18. I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNED Jack R. McShaw TITLE Division Engineer DATE April 30, 1965

APPROVED BY _____ TITLE _____ DATE _____
CONDITIONS OF APPROVAL, IF ANY:

Case 3265

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

(Signature) _____ production Division Engineer April 27, 1965
(Title) _____ (Date)

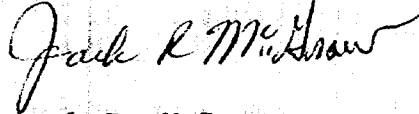
NOTE: Should waivers from the State Engineer, the surface owner, and all operators within one-half mile of the proposed injection well not accompany this application, the New Mexico Oil Conservation Commission will hold the application for a period of 15 days from the date of receipt by the Commission's 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.

(2)

effect, if any, on the oil production from this field, with this information to be used in a secondary recovery study that is being prepared.

If any further information is needed, please do not hesitate to contact me.

Very truly yours,



Jack R. McGraw
Division Engineer

JRMCG/ec
Enc.

COASTAL STATES GAS PRODUCING COMPANY

NORTH TEXAS DIVISION
614 CITIZENS NATIONAL BANK BUILDING
ARLINGTON, TEXAS

May 3, 1965

New Mexico Oil Conservation Commission
P. O. Box 1980
Hobbs, New Mexico

Re: Southern Minerals No. 1-15,
Unit L, Sec 15, T-9S, R-33E,
Lea County, New Mexico

Gentlemen:

We respectfully request administrative approval to convert the Coastal States Gas Producing Company's Southern Minerals State No. 1-15, which is currently temporarily abandoned, to a salt water disposal well.

This well was drilled to a total depth of 8691' in January, 1964. The Abo formation was perforated at 8632-67' and treated with acid and swab tested. No oil or gas was recovered in commercial quantities; therefore, a permanent bridge plug was set at 8500' and the 4-1/2" casing was cut off at 7495' and pulled. A 35 sk cement plug was set at 7495', a 25 sk plug was set at 6000', and a 50 sk plug was set at 4850' to 4642' in the bottom of the 7-5/8" casing, which was set to 4700'. We propose to dispose of the produced San Andres salt water back into the San Andres formation below the water-oil contact in the Slaughter Zone. The Slaughter Zone of the San Andres was tested in the subject well through perforations at 4545 - 55' and 4585 - 90' and found to produce 100% salt water. We plan to dispose of all produced salt water into this zone through tubing with packer set at approximately 4500'.

The nearest well producing oil from this zone is the Coastal States Gas Producing Company's Redfern State #1, which is located in the SW/4, NE/4, Section 16, approximately 55' higher structurally than the subject well. Disposing of water in this zone is not considered to be detrimental to oil production. We plan to observe the

DOCKET MAILED

Date 5-27-65

proposes to drill and complete a well in Unit L of Section 14, Township 20 South, Range 33 East, Teas Pool, Lea County, New Mexico, with surface casing set at approximately 950 feet, cement circulated, and production casing set at approximately 3400 feet and cemented to approximately 2500 feet above the casing point. The well would be plugged and abandoned in accordance with the provisions of Order R-111-A.

CASE 3265: Application of Coastal States Gas Producing Company for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the San Andres formation through perforations from 4545 feet to 4590 feet in its Southern Minerals State Well No. 1-15 located in Unit L of Section 15, Township 9 South, Range 33 East, Flying "M" San Andres Pool, Lea County, New Mexico.

CASE 3112: (Reopened)

In the matter of Case 3112 being reopened pursuant to the provisions of Order No. R-2824, which order authorized Gallup-Dakota commingling in the wellbore by means of a dual-flow downhole choke assembly in its Jicarilla 28 Well No. 1 located in Unit J of Section 28, Township 25 North, Range 4 West, Rio Arriba County, New Mexico. All interested parties may appear and show cause why the authority granted under this order should not be terminated.

CASE 3266: Application of Pan American Petroleum Corporation for a dual completion and commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the dual completion (conventional) of its Federal "A" Well No. 4 located in Unit L of Section 13, Township 9 South, Range 35 East, Lea County, New Mexico, to produce oil from the Bough Permo-Penn and an undesignated Devonian pool through parallel strings of tubing. Applicant further seeks authority to commingle the production from said pools on said lease after separately metering the production from each pool.

CASE 3258: (Continued from the May 26th examiner hearing)

Application of Midwest Oil Corporation for a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the dual completion (conventional) of its State "C" Well No. 1 located in Unit K of Section 32, Township 13 South, Range 34 East, Lea County, New Mexico, to produce oil from the Upper and Lower Pennsylvanian formations through parallel strings of tubing.

DOCKET: EXAMINER HEARING- WEDNESDAY - JUNE 9, 1965

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

The following cases will be heard before Elvis A. Utz, Examiner, or Daniel S. Nutter, Alternate Examiner:

CASE 3251: (Continued from the May 26, 1965 Examiner Hearing)

Application of Continental Oil Company for a waterflood project, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in the Rattlesnake Dakota Pool, San Juan County, New Mexico, by the injection of water into the upper and middle zones of the Dakota formation, through three injection wells in Sections 12 and 13, Township 29 North, Range 19 West.

CASE 3260: Application of Delaware-Apache Corporation for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of the West Lusk Deep Unit Area comprising 1920 acres, more or less, of State and Federal lands in Township 19 South, Range 31 East, Eddy County, New Mexico.

CASE 3261: Application of Delaware Apache Corporation for a pool extension and special rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the extension of the Jenkins-Cisco Pool to include the S/2 of Section 19 and the NW/4 of Section 30, Township 9 South, Range 35 East, Lea County, New Mexico, and the SE/4 of Section 24, and the NE/4 of Section 25, Township 9 South, Range 34 East. Applicant further seeks the promulgation of special rules for said pool including a provision for 80-acre proration units.

CASE 3262: Application of Monsanto Company for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Cueva Unit Area comprising 12,489 acres, more or less, of State, Federal and fee lands in Townships 22 and 23 South, Range 25 East, Eddy County, New Mexico.

CASE 3263: Application of Jake L. Hamon for the creation of a new gas pool and for special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new Morrow Gas Pool for his Hamon State E-8913 Well No. 1 located in Unit A of Section 20, Township 20 South, Range 36 East, Lea County, New Mexico, and the promulgation of special pool rules including a provision for 640-acre spacing.

CASE 3264: Application of Carl Engwall for an exception to Commission Order R-111-A, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an exception to the potash-oil area casing and cementing rules as set forth in Commission Order R-111-A. Applicant

COASTAL STATES GAS PRODUCING COMPANY

NORTH TEXAS DIVISION

614 CITIZENS NATIONAL BANK BUILDING
ABILENE, TEXAS

7 JUN 7 1965

June 3, 1965

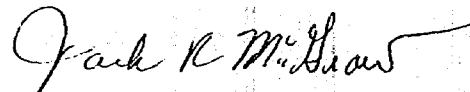
Case 3265

Frank E. Irby
Chief
Water Rights Division
P. O. Box 1079
Santa Fe, New Mexico

Dear Sir:

With reference to your letter of May 27, 1965 to
Mr. A. L. Porter, Jr. of the Oil Conservation Commission
regarding our application for salt water disposal on our
Southern Minerals No. 1-15, Flying "M" (San Andres) Field,
Lea County, New Mexico, please find attached the water
analysis on this well.

Very truly yours,



Jack R. McGraw
Division Engineer

JRMCG/ec
Enc.

✓ CC: Mr. A. L. Porter, Jr.
Secretary-Director
Oil Conservation Commission
Santa Fe, New Mexico



Case 3265

955 MAY 28 1965

STATE OF NEW MEXICO
STATE ENGINEER OFFICE
SANTA FE

S. E. REYNOLDS
STATE ENGINEER

May 27, 1965

ADDRESS CORRESPONDENCE TO:
STATE CAPITOL
SANTA FE, N. M.

Mr. A. L. Porter, Jr.
Secretary-Director
Oil Conservation Commission
Santa Fe, New Mexico

Dear Mr. Porter:

Reference is made to the application of Coastal States Gas Producing Company which seeks approval for salt water disposal into Southern Minerals No. 1-15 well in the Flying "M" (San Andres) Field. Study of the application and the diagrammatic sketch indicates that there should be no threat of contamination to any fresh waters which may exist in the area. Therefore, this office offers no objection to the granting of the application, provided the well is constructed and equipped in the manner set forth in the application and the diagrammatic sketch, and further provided that the State Engineer is forthwith furnished a copy of the analysis of the water to be disposed of. No analysis was attached to the copy of the application forwarded to this office.

Yours truly,

FEI/ma
cc-Coastal States Gas Prod. Co.
F. H. Hennighausen

S. E. Reynolds
State Engineer

By: *Frank E. Irby*
Frank E. Irby
Chief
Water Rights Div.

Case 3265

Heard 6-9-65

Rec. 6-9-65

1. Grant Coastal States permission to convert their Southern Minerals #1-15, unit L - sec. 15 - TS - 33 E. to a salt water disposal well.

2. water shall be injected into the San Andreas formation below a packer set at approx 4500' and plugged back T.D. of 4642'. The 2 3/8 tubing shall be internally plastic coated. Annulus shall be filled with non-corrosive fluid and a pressure gauge set at top to assist in determining leaks.

3. Injection well be below water oil contact of the Dwyer 'N' - San Andres oil pool.

Shute

-2-

CASE No. 3265
Order No. R-2924

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

IT IS THEREFORE ORDERED:

(1) That the applicant, Coastal States Gas Producing Company, is hereby authorized to plug back its Southern Minerals State Well No. 1-15 located in Unit L of Section 15, Township 9 South, Range 33 East, NMPM, Flying "M" San Andres Pool, Lea County, New Mexico, to 4642 feet and to dispose of produced salt water into the San Andres formation in said well, injection to be accomplished through 2 3/8-inch tubing installed in a packer set at approximately 4500 feet, with injection into the perforated interval from 4545 to 4590 feet;

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

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

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

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

Jack M. Campbell
JACK M. CAMPBELL, Chairman

Guyton B. Hays
GUYTON B. HAYS, Member

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

esr/

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

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

CASE No. 3265
Order No. R-2924

APPLICATION OF COASTAL STATES GAS
PRODUCING COMPANY FOR SALT WATER
DISPOSAL, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on June 9, 1965, at Santa Fe, New Mexico, before Examiner Elvis A. Ute.

NOW, on this 15th day of June, 1965, 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, Coastal States Gas Producing Company, is the owner and operator of the Southern Minerals State Well No. 1-15 located in Unit L of Section 15, Township 9 South, Range 33 East, NMPM, Flying "M" San Andres Pool, Lea County, New Mexico.

(3) That the applicant proposes to plug back said Southern Minerals State Well No. 1-15 to 4642 feet and to dispose of produced salt water into the San Andres formation, with injection into perforations from 4545 to 4590 feet.

(4) That the injection should be accomplished through 2 3/8-inch internally plastic-coated tubing installed in a packer set at approximately 4500 feet; that the casing-tubing annulus should be filled with an inert fluid; and that a pressure gauge should be attached to the annulus in order to determine leakage in the tubing or packer.

GOVERNOR
JACK M. CAMPBELL
CHAIRMAN

State of New Mexico
Oil Conservation Commission



LAND COMMISSIONER
GUYTON B. KAYS
MEMBER

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

P. O. BOX 2088
SANTA FE

June 15, 1965

Mr. Clarence Hinkle
Hinkle, Bondurant & Christy
Post Office Box 10
Roswell, New Mexico

Re: Case No. 3263
Order No. R-2924
Applicant:

COASTAL STATES GAS PRODUCING CO.

Dear Sir:

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

Very truly yours,

A. L. Porter, Jr.
A. L. PORTER, Jr.
Secretary-Director

ir/

Carbon copy of order also sent to:

Hobbs OCC x

Artesia OCC

Aztec OCC

OTHER Mr. Frank Irby

