

CASE 3702: Application of COASTAL
STATES GAS PRODUCING CO. for an
exception to ORDER NO. R-3221.

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Casa No.

3702

Application, Transcript,
Small Exhibits, Etc.

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. 3702
Order No. R-3359

APPLICATION OF COASTAL STATES GAS
PRODUCING COMPANY FOR AN EXCEPTION
TO ORDER NO. R-3221, LEA COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on December 20, 1967, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 26th day of December, 1967, the Commission, a quorum being present, having considered the record and the recommendations of the Examiner, and being fully advised in the premises,

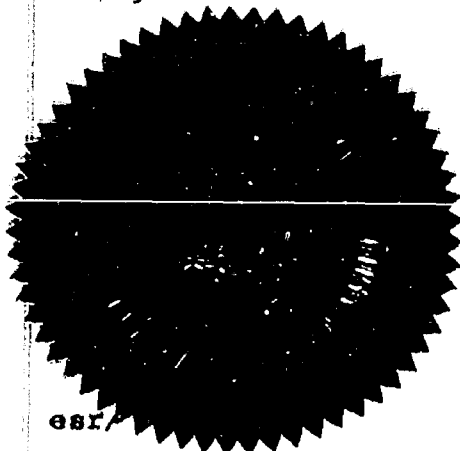
FINDS:

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

IT IS THEREFORE ORDERED:

That Case No. 3702 is hereby dismissed.

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



STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

David F. Cargo
DAVID F. CARGO, Chairman

Guyton B. Nays
GUYTON B. NAYS, Member

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

esr/

CLARENCE E. HINKLE
W. E. BONDURANT, JR.
S. B. CHRISTY IV
LEWIS C. COX, JR.
PAUL W. EATON, JR.
CONRAD E. COFFIELD
HAROLD L. HENSLEY, JR.
MICHAEL R. WALLER
STUART D. SHANOR

LAW OFFICES
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December 16, 1967

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521 MIDLAND TOWER
(915) MU 3-4691
OF COUNSEL: HIRAM M. DOW
TELEPHONE (505) 622-6510
POST OFFICE BOX 10

Mr. A. L. Porter, Jr.
Secretary-Director
New Mexico Oil Conservation Commission
Post Office Box 1148
Santa Fe, New Mexico 87501

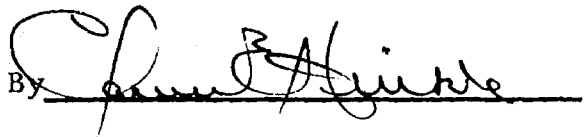
Re: Examiners Docket December 20, 1967
Case No. 3702

Dear Mr. Porter:

We filed the above captioned case on behalf of Coastal States Gas Producing Company, being an application for an exception to Order No. R-3221, Lea County, New Mexico. Coastal States has advised us that provision has been made through your Hobbs office for the use of certain pits for temporary emergency storage of produced water in connection with the pressure maintenance project operated by Coastal Gas Producing Company in the Flying "M" San Andres Pool. Due to this situation Coastal States desires to dis-miss its application which is set down for hearing on the December 20 docket as Case No. 3702.

Yours very truly,

HINKLE, BONDURANT & CHRISTY

By 

CEH/ea

cc: Coastal States Gas Producing Company
P. O. Box 235
Midland, Texas 79701

- CASE 3702: Application of Coastal States Gas Producing Company for an exception to Order No. R-3221, Lea County, New Mexico. Applicant, in the above-styled cause, on its own behalf and as operator of the Flying "M" Unit Area, seeks an exception to the provision of Paragraph (6) of the Commission Order No. R-3221 which requires that certain unlined pits used for the disposal of produced water be filled, leveled, and compacted. Applicant proposes that said pits be left open in the Flying "M" San Andres Pool, Lea County, New Mexico, to permit their use for temporary emergency storage of produced water in connection with individual tank batteries connected to the Flying "M" San Andres Pressure Maintenance Project operated by Coastal States Gas Producing Company.
- CASE 3703: Application of Texaco Inc. for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Abo formation in the perforated interval from 9013 to 9046 feet in its New Mexico "CW" State Well No. 2 located in Unit L of Section 18, Township 17 South, Range 37 East, Midway-Abo Pool, Lea County, New Mexico.
- CASE 3704: Application of New Mexico Salt Water Disposal Company, Inc., for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Bough "D" zone of the Pennsylvanian formation in the perforated interval from 9844 to 9875 feet in its Ainsworth Well No. 1 located in Unit H of Section 19, Township 9 South, Range 34 East, Vada-Pennsylvanian Pool, Lea County, New Mexico.
- CASE 3705: Application of Midwest Oil Corporation for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Bough zone of the Pennsylvanian formation in the perforated interval from 9784 to 9810 feet in its Ainsworth State Well No. 1, formerly the Sunray DX State I Well No. 1, located in Unit N of Section 36, Township 9 South, Range 33 East, Lane-Pennsylvanian Pool, Lea County, New Mexico.
- CASE 3706: Application of Major, Giebel & Forster for an amendment to Order No. R-3307, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Order No. R-3307 to designate Major, Giebel & Forster as operators of the NW/4 SW/4 of Section 6, Township 13 South, Range 38 East, West Bronco-Devonian Pool, Lea County, New Mexico, rather than Vasicek and Fullinwider dba V. F. Petroleum, who were originally designated as operators of said compulsorily pooled unit.

DOCKET: EXAMINER HEARING - WEDNESDAY - DECEMBER 20, 1967

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. Nutter, Examiner, or Elvis A. Utz, Alternate Examiner:

CASE 3695 continued from the November 29, 1967, Examiner Hearing

Application of Tenneco Oil Company for Special Pool Rules, McKinley County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special pool rules for the South Hospah Upper Sand Oil Pool and the South Hospah Lower Sand Oil Pool, McKinley County, New Mexico, to provide that wells drilled in said pools could be located anywhere on the 40-acre unit except that no well could be located closer than 330 feet to the outer boundary of the lease nor closer than 200 feet to another well producing from the same pool. Applicant further proposes that any existing well not located in accordance with the above requirements be granted an exception to said requirements.

CASE 3698: Application of H & S Oil Company for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the approval of the West Artesia Grayburg Unit Area comprising 640 acres, more or less, of state and fee lands in Sections 7, 8, and 17, Township 18 South, Range 28 East, Artesia Pool, Eddy County, New Mexico.

CASE 3699: Application of H & S Oil Company for a waterflood project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in its West Artesia Grayburg Unit by the injection of water into the Grayburg formation through 8 wells located in Sections 7, 8, and 17, Township 18 South, Range 28 East, Artesia Pool, Eddy County, New Mexico.

CASE 3700: Application of Lone Star Producing Company for salt water disposal, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the San Andres formation through the perforated interval from 4910 to 5015 feet in its Federal New Mexico "D" Well No. 1 located in Unit A of Section 29, Township 8 South, Range 36 East, South Prairie Field, Roosevelt County, New Mexico.

CASE 3701: Application of Coastal States Gas Producing Company for special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special pool rules for the Baum Wolfcamp Pool in Township 14 South, Range 33 East, Lea County, New Mexico, including a provision for 160-acre spacing and proration units.

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November 27, 1967

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Oil Conservation Commission
Box 2088
Santa Fe, New Mexico

Case 3702

Gentlemen:

We enclose herewith in triplicate two separate applications of Coastal States Gas Producing Company, one for special pool rules for the Baum (Wolfcamp) Pool Lea County, and the other for an exception to order R-3221 to permit the temporary emergency use of unlined pits in connection with the secondary recovery water injection system in connection with the Flying "M" (San Andres) Pool, Lea County, New Mexico.

We would appreciate these cases being set down for the examiner's hearing to be held on December 20.

Yours very truly,

HINKLE, BONDURANT & CHRISTY

By *Clarence E. Hinkle*

CEH:cs
Enc.

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Date 12-7-67
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BEFORE THE NEW MEXICO OIL CONSERVATION COMMISSION

SANTA FE, NEW MEXICO

APPLICATION OF COASTAL STATES GAS
PRODUCING COMPANY ON ITS OWN BEHALF
AND AS UNIT OPERATOR OF THE FLYING
"M" (SAN ANDRES) UNIT, LEA COUNTY, NEW
MEXICO FOR AN EXCEPTION TO ORDER R-3221
OF THE OIL CONSERVATION COMMISSION TO
PERMIT THE USE OF UNLINED PITS IN THE
FLYING "M" (SAN ANDRES) POOL TO PERMIT
TEMPORARY, EMERGENCY STORAGE OF OVERFLOW
WATER TO BE INJECTED FOR SECONDARY RECOVERY
PURPOSES WHEN THERE IS A TEMPORARY FAILURE
OF THE WATER INJECTION SYSTEM.

Case 3702

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Oil Conservation Commission
Box 2088
Santa Fe, New Mexico

Comes Coastal States Gas Producing Company, with offices at Midland, Texas, on its own behalf and as unit operator of the Flying "M" (San Andres) Unit, acting by and through the undersigned attorneys, and hereby makes application for an exception to Order R-3221 entered in Case No. 3551 on May 1, 1967 so as to allow the use of unlined pits for temporary emergency storage of overflow water to be injected for secondary recovery purposes in the Flying "M" (San Andres) Pool where there is a temporary failure of the water injection system, and in support thereof respectfully shows:

1. That applicant is the owner of certain leasehold interests producing from the Flying "M" (San Andres) Pool which have been committed to the Flying "M" (San Andres) Unit Agreement and is also unit operator under the terms of said unit agreement, and as such operator is operating a water injection system for the purpose of carrying on a secondary recovery project which has heretofore been approved by the Commission as to the lands committed to said unit agreement. That applicant proposes that unlined pits in the Flying "M" (San Andres) Pool be used for temporary emergency storage of overflow water which is to be injected for secondary recovery purposes

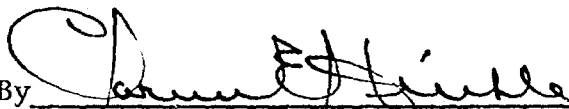
whenever the disposal system is shut down due to line breakage or other causes beyond the control of applicant. Such pits would only be used for temporary storage in cases of emergency and a large portion, around 80%, of the water temporarily stored will be fresh water.

2. Applicant feels that it would be practically impossible to operate the water injection system above referred to without some provision for the temporary storage of water to be injected.

3. That this matter be set down for the examiner's hearing to be held on December 20, 1967.

Respectfully submitted,

COASTAL STATES GAS PRODUCING COMPANY

By 

HINKLE, BONDURANT & CHRISTY

Attorneys for Applicant

Box 10

Roswell, New Mexico



dearnley-meier reporting service, inc.

SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIONS
1120 SIMAS BLDG. • P. O. BOX 1092 • PHONE 243-6691 • ALBUQUERQUE, NEW MEXICO

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
December 20, 1967
EXAMINER HEARING

IN THE MATTER OF:)

Application of Coastal States)
Gas Producing Company for an)
exception to Order No. R-3221,)
Lea County, New Mexico.)

Case No. 3702

BEFORE: Daniel S. Nutter, Examiner

TRANSCRIPT OF HEARING

MR. NUTTER: We'll call Case Number 3702, Application of Coastal States Gas Producing Company for an exception to Order No. 3-3221.

MR. HATCH: Case Number 3702, Application of Coastal States Gas Producing Company for an exception to Order No. R-3221, Lea County, New Mexico.

MR. HINKLE: Clarence Hinkle, Hinkle, Bondurant, and Christy, representing Coastal States Gas Producing Company. We would like to dismiss Case Number 3702.

MR. NUTTER: Case 3702 is dismissed, and we'll take that fifteen minute recess.

(Whereupon, fifteen minute recess was had.)

* * *

STATE OF NEW MEXICO

COUNTY OF BERNALILLO

I, CHARLOTTE MCGUIRE, Notary Public in and for the County of Bernalillo, State of New Mexico, do hereby certify that the foregoing and attached transcripts of hearings before the New Mexico Oil Conservation Commission was reported by me; and that the same is a true and correct record of the said proceedings, to the best of my knowledge, skill and ability.

Witness my Hand and Seal this _____ Day of _____ 1968.

NOTARY PUBLIC

My Commission Expires:
February 10, 1971.

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[Signature]