

CASE 3899: Application of CITIES
SERVICE OIL COMPANY for salt
water disposal, Lea County.

Case Number

3899

Application
Transcripts.

Small Exhibits

ETC.

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

1120 SIMMS BLDG. • P. O. BOX 1092 • PHONE 243-6691 • ALBUQUEQUE, NEW MEXICO



BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
October 23, 1968

EXAMINER HEARING

IN THE MATTER OF:

Application of Cities Service
Oil Company for salt water disposal,
Lea County, New Mexico.

Case 3899

Before: Daniel S. Nutter, Examiner

TRANSCRIPT OF HEARING

MR. NUTTER: The hearing will come to order, please. Because of extenuating personal circumstances, we are going to call one case out of order this morning. We will call first Case 3899.

MR. HATCH: Application of Cities Service Oil Company for salt water disposal, Lea County, New Mexico.

MR. KELLAHIN: If the Examiner please, Jason Kellahin, Kellahin and Fox, Santa Fe, appearing for the Applicant. I have one witness I would like to have sworn.

(Witness sworn.)

(Applicant's Exhibits 1 through 4 marked for identification.)

* * * * *

E. F. M O T T E R, called as a witness, having been first duly sworn, was examined and testified as follows:

DIRECT EXAMINATION

BY MR. KELLAHIN:

Q Would you state your name, please?

A E. F. Motter, M-o-t-t-e-r.

Q By whom are you employed and in what position?

A Cities Service Oil Company, Region Engineer, the Western Region, Midland, Texas.

Q Have you testified before the Oil Conservation Commission and made your qualifications a matter of record?

A Yes.

MR. KELLAHIN: Are the witness's qualifications acceptable?

MR. NUTTER: They are, please proceed.

Q (By Mr. Kellahin) Are you familiar with the application of Cities Service Oil Company in Case 38992.

A Yes, I am.

Q What is proposed by Cities Service in this Application?

A Cities Service proposes to install a salt water disposal system in Mescalero Pool, Lea County, New Mexico.

I might give a little background on this at the present time. Cities Service inaugurated six months ago a study relative to secondary recovery in this field and as time became short to dispose of salt water, it appeared that we could probably not unitize and still beat the January 1st, 1969, deadline to put this water under ground, so we have set up a disposal system which will be compatible with a secondary recovery program when it starts, which we hope will be another five or six months.

Exhibit No. 1 is a plat of the field. This shows only the San Andres wells. There are a few Pennsylvanian-Devonian wells, mainly down in the southern part of Section 22 and in the northeast of Section 27. This disposal system is

4

designed for the San Andres; however, we have put provisions into the contract which will permit us to handle the other formations.

Q Are the wells within the vicinity of the proposed disposal well producing from the San Andres?

A Yes, they are. I might also point out that circled in red in the southeast quarter of Section 22, 10 South, 32 East, is the proposed disposal well. It's the Cities Service State AD No. 8 which was a non-commercial well in the San Andres.

Q Has that well ever been produced?

A I don't believe it officially ever was assigned a potential. It has produced a little bit of oil.

Q Is it at the present time temporarily abandoned?

A It has been temporarily abandoned for a couple of years, yes.

Q Referring to what has been marked Exhibit 2, would you identify it, please?

A Yes; this is a plat which shows the gathering system to bring the production into the State AD No. 8. Again I might reiterate that this has been designed to serve later as the production gathering system, if and when the secondary unit is formed. I might comment, I should have done this on

the first plat, this system will handle approximately 20,000 barrels of water a month, at least that is the present water production. There are a couple of operators who chose not to go into the system at the present time because they have their own disposal facilities. This is the Sun Lease, the northwest quarter of 26 and the Sunray DX Lease which is the east half of the southwest of 23, and the west half of the southeast of 23.

Q Is the source of the water all from the San Andres wells in the area shown on Exhibit No. 2?

A Yes, with the exception, as I told you, there are about three or four Penn, I think, one Devonian well which is making a small amount of water. We propose to dispose of that also, in this system.

Q What total amount of water do you anticipate you will be disposing of?

A It will be about 700 barrels a day.

Q In referring to what has been marked as Exhibit No. 3, would you identify that exhibit?

A Yes, that's a log of the well and we have appropriately marked there the perforations which are still open and I think those were set out in our application. They're outlined in red in three porosity zones. This is in a zone which

produces in this area. But as I have told you earlier we propose a secondary project here as soon as we can get it worked out. There are two zones which produce in the field. The one that has been marked has the perforations open at the present time is the Slaughter Zone and we're approximately 1500 feet below that, is what we call the Lower San Andres. We don't propose to inject in that particular zone at the present time, but the upper zones.

Q Referring to Exhibit 2, it shows 8 5/8ths casing set at 1635 feet with the cement circulated on that.

MR. NUTTER: Exhibit No. 3.

Q Pardon me, Exhibit No. 3.

A Yes, 8 5/8 is set at 1635 and cement was circulated. 5 1/2 was set at 4399 and the top of the cement there is 3905. This shows that there is a bridge plug below some perforations, excuse me, above some perforations which have been tested, shows the perforated intervals we plan to inject in and we will use two-inch plastic-coated tubing under a packer with this system.

Q Is there any fresh water in the area?

A None to our knowledge, we have had to haul water for all of our drilling up there.

Q Assuming that there was, the surface casing would

adequately protect fresh water zones, would it not?

A Yes, certainly would.

Q Is there any production zones behind the pipe open hole?

A Not to our knowledge.

Q Referring to what has been marked as Exhibit 4?

A Yes, I am sorry, that is the acoustic log of the well.

We have marked on there the zones of perforations. I am not sure they're the same here, 4087 to 4099, 4135 to 4144 and 4160 to 4176, those are open, they prove to be non-commercial in this well, but we feel it will serve as a disposal well and also probably can be used later on in our waterflood project.

Q Were Exhibits 1 through 4 prepared by you or under your supervision?

A Yes, they were.

MR. KELLAHIN: At this time I offer in evidence Exhibits 1 through 4.

MR. NUTTER: Cities Service Exhibits 1 through 4 will be admitted into evidence.

(Whereupon, Cities Service Exhibits 1 through 4 offered and admitted in evidence.)

MR. KELLAHIN: That's all I have on direct examination.

MR. NUTTER: Does anyone have any questions of this witness?

CROSS EXAMINATION

BY MR. NUTTER:

Q Mr. Motter, on the surface casing which is set at 1635 feet, what is the top of the cement?

A It's circulated.

Q That annulus here between the tubing and the casing, will that be loaded with some inhibited fluid?

A Yes, using inhibited fresh water is what we normally put behind it.

Q Will that be equipped with a pressure gauge or the annulus left open in order to detect leakage?

A We normally put a pressure gauge on those to see if there is any buildup or leak in the tubing. I might comment further here to the question, we don't know exactly right now whether it will require pressure to put this water away. We have taken precautions and ordered equipment for this.

Q In your opinion, any effect that the injection of water into this zone would not be detrimental to the producing formation but may, in fact, enhance production?

A May enhance it and by the time that there would be any increased production, we would hope, of course, to have the secondary project under way.

Q And you feel, maybe in five or six months you will have the area unitized and a secondary recovery operation in effect?

A That's correct.

MR. NUTTER: Any other questions of the witness?

He may be excused.

(Witness excused.)

MR. NUTTER: Do you have anything further, Mr.

Kellahin?

MR. KELLAHIN: Nothing further.

MR. NUTTER: Anyone have anything further to offer in

Case 3899? We will take the case under advisement.

STATE OF NEW MEXICO)
) ss
COUNTY OF BERNALILLO)

I, ADA DEARNLEY, Court Reporter 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 this 1st day of November, 1968.

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Explorer hearing of Case No. 3899
heard by me on 10/23, 1968.

ADA DEARNLEY

New Mexico Oil Conservation Commission

I N D E X

WITNESS	PAGE
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<u>EXHIBITS</u>	<u>MARKED</u>	<u>OFFERED AND ADMITTED</u>
Applicant's 1 through 4	2	7

GOVERNOR
DAVID F. CARGO
CHAIRMAN

State of New Mexico
Oil Conservation Commission



LAND COMMISSIONER
GUYTON B. HAYS
MEMBER

P. O. BOX 2088
SANTA FE

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

October 31, 1968

Mr. Jason Kellahin
Kellahin & Fox
Attorneys at Law
Post Office Box 1769
Santa Fe, New Mexico

Re: Case No. 3899 ✓
3901
Order No. R-3537 & R-3538
Applicant:
Cities Service &
Continental

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.
Secretary-Director

ALP/ir

Carbon copy of order also sent to:

Hobbs OCC x

Artesia OCC

Aztec OCC

Other State Engineer Office

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. 3899
Order No. R-3537

APPLICATION OF CITIES SERVICE OIL
COMPANY FOR SALT WATER DISPOSAL,
LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on October 23, 1968, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 31st day of October, 1968, 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, Cities Service Oil Company, is the owner and operator of the State AD Well No. 8, located in Unit J of Section 22, Township 10 South, Range 32 East, NMPM, Mescalero-San Andres Pool, Lea County, New Mexico.

(3) That the applicant proposes to utilize said well to dispose of produced salt water into the San Andres formation, with injection into the perforated interval from approximately 4087 feet to 4176 feet.

(4) That the injection should be accomplished through 2 3/8-inch plastic-lined tubing installed in a packer set at approximately 4000 feet; that the casing-tubing annulus should be filled with an inert fluid; and that a pressure gauge should

-2-

CASE No. 3899
Order No. R-3537

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

(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:

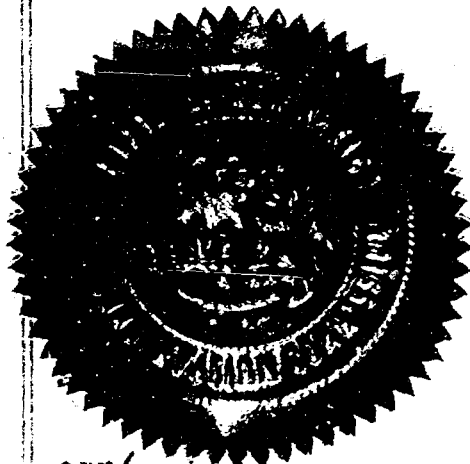
(1) That the applicant, Cities Service Oil Company, is hereby authorized to utilize its State AD Well No. 8, located in Unit J of Section 22, Township 10 South, Range 32 East, NMPM, Mescalero-San Andres Pool, Lea County, New Mexico, to dispose of produced salt water into the San Andres formation, injection to be accomplished through 2 3/8-inch tubing installed in a packer set at approximately 4000 feet, with injection into the perforated interval from approximately 4087 feet to 4176 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 in order to determine leakage in the casing, 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.



esr/

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

David F. Cargo
DAVID F. CARGO, Chairman

Guyton B. Hays
GUYTON B. HAYS, Member

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

Docket No. 31-68

DOCKET: EXAMINER HEARING - WEDNESDAY - OCTOBER 23, 1968

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 3894: Application of Signal Oil and Gas Company for a non-standard oil proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of a non-standard oil proration unit comprising the W/2 NE/4 and the N/2 SE/4 of Section 17, Township 10 South, Range 34 East, Vada-Pennsylvanian Pool, Lea County, New Mexico, said unit to be dedicated to its State AP Well No. 1 located 1980 feet from the South line and 660 feet from the East line of said Section 17.

CASE 3895: Application of Sun Oil Company for a pressure maintenance project, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a pressure maintenance project in its New Mexico State "H" Lease by the injection of water into the San Andres formation through its New Mexico State "H" Well No. 13 located in the SE/4 SE/4 of Section 16, Township 8 South, Range 30 East, Cato-San Andres Pool, Chaves County, New Mexico. Applicant further seeks the promulgation of special rules to govern operation of said pressure maintenance project.

CASE 3887: (Continued from the October 9, 1968, Examiner Hearing)

Application of Kersey & Company for a waterflood project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project by the injection of water into the Premier sand of Grayburg formation through two wells to be located in Units E and K of Section 12, Township 18 South, Range 28 East, Artesia Pool, Eddy County, New Mexico. Applicant further proposes to produce oil from the Upper Grayburg through parallel strings of tubing, if said zones are productive in the subject wells.

CASE 3896: Application of Kersey & Hanson, Yates Drilling Company, and John H. Trigg for several waterflood projects, Eddy County, New Mexico. Applicants, in the above-styled cause, seek authority to institute several cooperative waterflood projects by the injection of water into the Queen and Grayburg formations through four injection wells located in Sections 21

CASE 3896 continued

and 28, Township 18 South, Range 29 East, Turkey
Track Queen-Grayburg Pool, Eddy County, New Mexico.

CASE 3897: Application of Kersey-Wittkopp and E. A. Hanson for two waterflood projects, Eddy County, New Mexico. Applicants, in the above-styled cause, seek authority to institute two cooperative waterflood projects by the injection of water into the Queen formation through two injection wells located in the NW/4 SE/4 and the SW/4 SE/4 of Section 6, Township 19 South, Range 31 East, Shugart Pool, Eddy County, New Mexico.

CASE 3898: Application of Tenneco Oil 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 Queen formation in the open-hole interval from approximately 3258 feet to 3341 feet in its Ginsberg-Federal Well No. 6 located in Unit E of Section 31, Township 25 South, Range 38 East, Langlie-Mattix Field, Lea County, New Mexico.

CASE 3899: Application of Cities Service Oil 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 in the interval from approximately 4087 feet to 4176 feet in its State AD Well No. 8 located in Unit J of Section 22, Township 10 South, Range 32 East, Mescalero-San Andres Pool, Lea County, New Mexico.

CASE 3900: Application of Continental Oil Company for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle production from the Vacuum Wolfcamp Pool and the North Vacuum Abo Pool in the well-bore of its State H-35 Well No. 7 located 660 feet from the North line and 1780 feet from the East line of Section 35, Township 17 South, Range 34 East, Lea County, New Mexico.

CASE 3901: Application of Continental Oil 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 Yates-Seven Rivers formations in the perforated interval from approximately 3330 feet to 3552 feet in its Lynn A-28 Well No. 6 located in Unit H of Section 28, Township

(CASE 3901 continued)

23 South, Range 36 East, Jalmat Pool, Lea County, New Mexico.

CASE 3902: Application of Continental Oil Company for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a pilot waterflood project by the injection of water into the Queen formation through its Stevens "B" Well No. 8 located in Unit A of Section 12, Township 23 South, Range 36 East, Langlie-Mattix Pool, Lea County, New Mexico.

CASE 3903: Application of Continental Oil Company for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project by the injection of water into the Delaware formation in the perforated intervals from approximately 4675 feet to 4765 feet in its Payne Well No. 11 and from 4666 feet to 4740 feet in its Payne Well No. 12 located 660 feet from the South line and 1650 feet from the West line of Section 30, 1935 feet from the North line and 2090 feet from the West line of Section 31, respectively, Township 26 South, Range 33 East, El Mar-Delaware Pool, Lea County, New Mexico.

CASE 3904: Application of Continental Oil Company for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a pilot waterflood project by the injection of water into the Delaware formation through its Thompson Federal 19 Well No. 2 located in Unit F of Section 19, Township 26 South, Range 32 East, North Mason-Delaware Pool, Lea County, New Mexico.

CASE 3905: Application of Texas Pacific Oil 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 Devonian formation in the open-hole interval from approximately 12,269 feet to 12,541 feet in its State "O" Well No. 1 located in Unit J of Section 15, Township 10 South, Range 36 East, South Crossroads-Devonian Pool, Lea County, New Mexico.

CASE 3906: Application of Skelly Oil Company for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project by the injection of water into the Queen formation through its Mattix "A" Well No. 4 located in Unit K of Section 2, Township 24 South, Range 37 East, Langlie-Mattix Oil Pool, Lea County, New Mexico. Applicant further seeks a procedure whereby said project may be expanded administratively without a showing of well response.

CASE 3907: Application of Skelly Oil Company for a waterflood project, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a pilot waterflood project by the injection of water into the San Andres formation through its Hobbs "W" Well No. 9 located in Unit F of Section 29, Township 7 South, Range 34 East, Chaveroo-San Andres Pool, Roosevelt County, New Mexico. Applicant further seeks a procedure whereby said project may be expanded administratively without a showing of well response.

CASE 3908: Application of Pan American Petroleum Corporation for salt water disposal, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the San Andres formation in the perforated interval from approximately 3932 feet to 4027 feet in its Miller Federal Well No. 4 located in Unit L of Section 35, Township 7 South, Range 31 East, Tom-Tom San Andres Pool, Chaves County, New Mexico.

CASE 3909: Application of Champlin Petroleum Company for salt water disposal, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into San Andres formation, Chaveroo-San Andres Pool, Roosevelt County, New Mexico, through the following two wells located in Township 7 South, Range 33 East:

Champlin Lauck-Federal Well No. 12,
Unit J of Section 29; Disposal Interval -
4202 feet to 4404 feet;

Champlin State 32-7-33 Well No. 5, Unit J
of Section 32; Disposal Interval - 4303
feet to 4425 feet.

- CASE 3910: Application of Atlantic Richfield Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Bough "C" zone of the Pennsylvanian formation underlying the SW/4 of Section 17, Township 10 South, Range 34 East, Vada-Pennsylvanian Pool, Lea County, New Mexico. Said acreage to be dedicated to a well located in the NE/4 SW/4 of said Section 17.
- CASE 3911: Application of Atlantic Richfield Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Bough "C" zone of the Pennsylvanian formation underlying the SE/4 of Section 8, Township 10 South, Range 34 East, Vada-Pennsylvanian Pool, Lea County, New Mexico. Said acreage to be dedicated to a well located in the NW/4 SE/4 of said Section 8. In the alternative applicant seeks approval of a non-standard oil proration unit comprising the E/2 SE/4 of said Section 8 and the W/2 SW/4 of Section 9, said Township and Range, said unit to be dedicated to a well to be drilled in the NE/4 SE/4 of said Section 8.
- CASE 3882: (Continued from the October 9, 1968, Examiner Hearing)
Application of Solar Oil Company for a special gas-oil ratio limitation, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Rule 506 of the Commission Rules and Regulations to provide for a limiting gas-oil ratio of 6,000 cubic feet of gas per barrel of oil in the Teague Blinbry Pool, Lea County, New Mexico.
- CASE 3883: (Continued from the October 9, 1968, Examiner Hearing)
Application of Solar Oil Company for a special gas-oil ratio limitation, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Rule 506 of the Commission Rules and Regulations to provide for a limiting gas-oil ratio of 6,000 cubic feet of gas per barrel of oil in the Imperial Tubb-Drinkard Pool, Lea County, New Mexico.

Mobil Oil Corporation

P.O. BOX 633
MIDLAND, TEXAS 79701

October 17, 1968

New Mexico Oil Conservation Commission
State Land Office Building
Santa Fe, New Mexico 87501

File

CITIES SERVICE CASE #3899
OCTOBER 23, 1968
APPLICATION TO DISPOSE OF
PRODUCED SALT WATER
MESCALERO-SAN ANDRES POOL
LEA COUNTY, NEW MEXICO

Gentlemen:

Mobil Oil Corporation, as an operator in the Mescalero-San Andres Pool, supports and recommends approval of Cities Service Oil Company's application to dispose of produced salt water into the San Andres formation in their State AD Well No. 8.

Very truly yours,

Ira B. Stitt

Ira B. Stitt
Division Operations Engineer

CRKreuz/bje

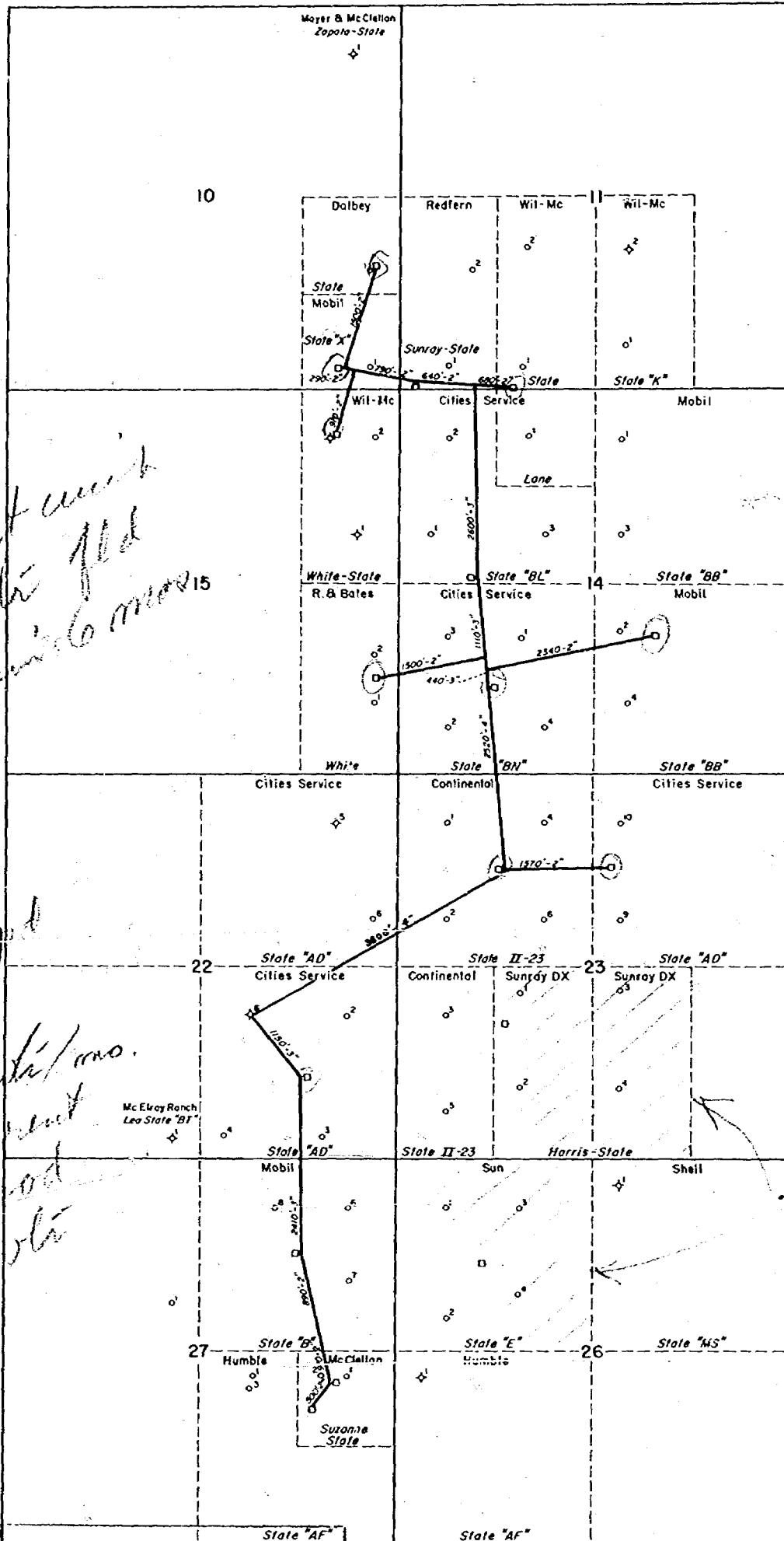
R 32 E

*expect unit
to be white
with some moss*

*700 bbl
or
20,000
Bbls oil/mo.
current
prod
with*

T
10
S

*have
more
work
connected*



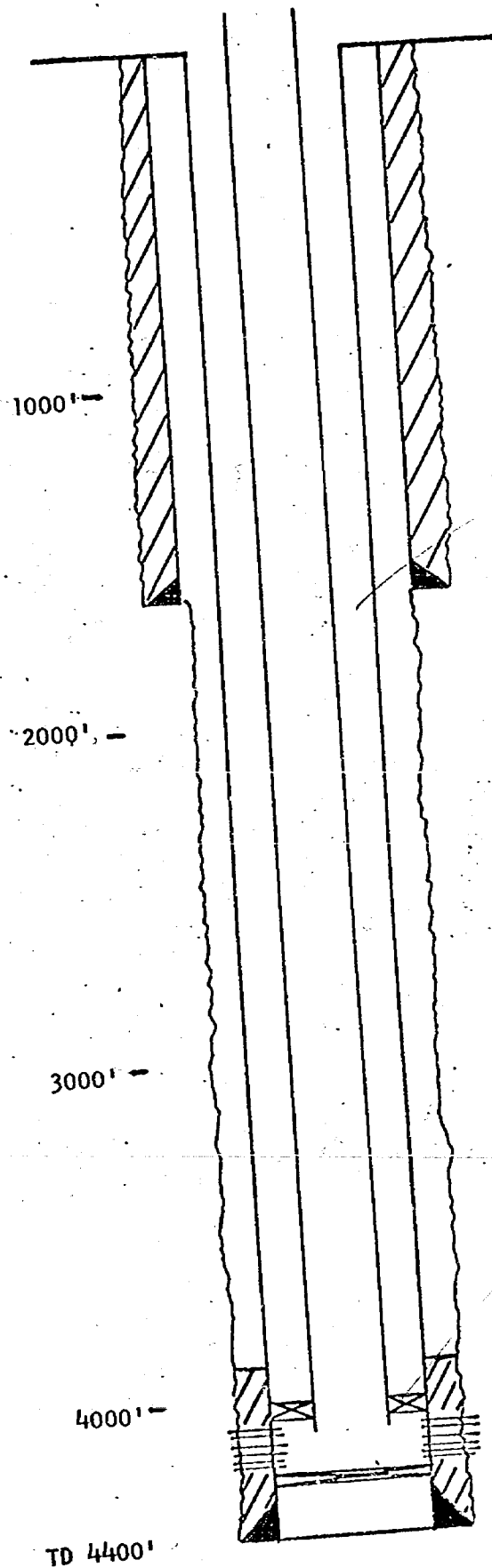
EXAMINER NUTTER
 INVESTIGATION COMMISSION
 C.S. EXHIBIT NO. 2
 CASE NO. 3899
 LEGEND

- ◆ Dry Hole
- Well
- Heater Treater

EXHIBIT "A"

MESCALERO SAN ANDRES SWD SYSTEM
 LEA COUNTY, NEW MEXICO

MESCALERO SALT WATER DISPOSAL WELL
FORMERLY CITIES SERVICE OIL COMPANY - STATE "AD" #8
LEA COUNTY, NEW MEXICO



BEFORE EXAMINER NUTTER
OIL CONSERVATION COMMISSION
EXHIBIT NO. 3
CASE NO. 3899

CEMENT

*annular
inhibited fresh water
& eq'd w/ gage*
8-5/8" Casing Set at 1635'
Cemented with 500 sx. 50-50
Pozmix + 200 sx. neat

top circ.

2-3/8" Plastic Coated Tubing

*packer @
3050*

Cement Top 3905' by Temperature
Survey
Tension Packer at 4000'
Perforations 4087-4176
CI Retainer at 4182'
4 1/2" Casing Set at 4399'
Cemented with 150 sx. 50-50
Pozmix + 100 sx. neat

R-3465
JASON W. KELLAHIN
ROBERT E. FOX

KELLAHIN AND FOX
ATTORNEYS AT LAW
54½ EAST SAN FRANCISCO STREET
POST OFFICE BOX 1769
SANTA FE, NEW MEXICO 87501

TELEPHONE 982-4315
AREA CODE 505

September 27, 1968

Case
3899

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

Gentlemen:

Enclosed is an application filed on behalf of Cities
Service Oil Company. It is requested that this case
be set for hearing before the next examiner hearing of
the Commission.

Very truly yours,

Jason W. Kellahin
JASON W. KELLAHIN

jwk/mas
enclosures 3

DOCKET MAILED

Date 10-11-68

BEFORE THE
OIL CONSERVATION COMMISSION OF NEW MEXICO

APPLICATION OF CITIES SERVICE
OIL COMPANY FOR APPROVAL OF A
SALT WATER DISPOSAL SYSTEM,
LEA COUNTY, NEW MEXICO.

Case 3899

SEP 30 1960

A P P L I C A T I O N

Comes now Cities Service Oil Company and applies to the Oil Conservation Commission of New Mexico for approval of its Mescalero-San Andres Salt Water Disposal system, in the Mescalero-San Andres Pool, Lea County, New Mexico, and in support thereof would show the Commission:

1. Applicant proposes to convert the State AD Well No. 8, located 1980 feet from the South line, and 1980 feet from the East line of Section 22, Township 10 South, Range 32 East, N.M.P.M., Mescalero-San Andres Pool, to salt water disposal.
2. The subject well was originally drilled to a total depth of 4400 feet, with five and one-half inch casing set at 4399 feet. Top of the cement is at approximately 3905 feet. Applicant proposes to recomplate the well, perforate at 4087 to 4099 feet, from 4135 to 4144 feet, and from 4160 to 4176 feet.
3. Injection of water will be through corrosion-resistant tubing, under a packer.
4. It is anticipated that approximately 550 barrels of water per day will be disposed of in the well.
5. The zone in which water is proposed to be injected is productive of oil and gas, and therefore it is necessary that this application be set for hearing.

WHEREFORE, applicant prays that this application be set for hearing before the Commission or the Commission's duly appointed examiner, and that after notice and hearing as required by law, the Commission enter its order approving the applicant's proposed salt water disposal system as applied for.

Respectfully submitted,

CITIES SERVICE OIL COMPANY

By

Jason W. Kellahin

KELLAHIN & FOX

P. O. Box 1769

Santa Fe, New Mexico

ATTORNEYS FOR APPLICANT

SMH

DRAFT
GMH/esr

*Ida -
no spec
lth*

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:

AKP

APPLICATION OF CITIES SERVICE OIL
COMPANY FOR SALT WATER DISPOSAL,
LEA COUNTY, NEW MEXICO.

CASE No. 3899

Order No. R-2537

10-25-68

See

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on October 23, 1968,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 20th day of October, 1968, 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, Cities Service Oil Company,
is the owner and operator of the State AD Well No. 8,
located in Unit J of Section 22, Township 10 South, Range
32 East, NMPM, Mescalero-San Andres Pool, Lea County,
New Mexico.

(3) That the applicant proposes to utilize said well to
dispose of produced salt water into the San Andres formation,
with injection into the perforated interval from approximately
4087 feet to 4176 feet.

(4) That the injection should be accomplished through
2 3/8-inch plastic-lined tubing installed in a packer set at

approximately 4000 feet; that the casing-tubing annulus should be filled with an inert fluid; and that a pressure gauge should be attached to the annulus ~~or the annulus left open at the surface~~ in order to determine leakage in the casing, tubing, or packer.

(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, Cities Service Oil Company, is hereby authorized to utilize its State AD Well No. 8, located in Unit J of Section 22, Township 10 South, Range 32 East, NMPM, Mescalero-San Andres Pool, Lea County, New Mexico, to dispose of produced salt water into the San Andres formation, injection to be accomplished through 2 3/8-inch tubing installed in a packer set at approximately 4000 feet, with injection into the perforated interval from approximately 4087 feet to 4176 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 left open at the surface~~ in order to determine leakage in the casing, 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.