

CASE 4101; Application of GEORGE 79
H. MITCHELL FOR AN EXCEPTION TO
ORDER NO. R-3221, AS AMENDED.

Case Number.

4101

Application
Transcripts.

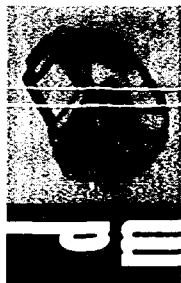
Small Exhibits

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

1120 SIMMS BLDG. • P. O. BOX 1092 • PHONE 243-4491 • ALBUQUERQUE, NEW MEXICO



APR 23 AM 8 25

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION

Santa Fe, New Mexico

April 16, 1969

REGULAR HEARING

IN THE MATTER OF:

Application George H.
Mitchell for an exception
to Order No. R-3221, as
amended, Eddy County,
New Mexico.

Case No. 4101

BEFORE: A. L. Porter, Jr., Secretary-Director
Alex J. Armijo, Land Commissioner
George Hatch, Counsel

TRANSCRIPT OF HEARING

MR. PORTER: Case 4101.

MR. HATCH: Case 4101, application of George H. Mitchell for an exception to Order No. R-3221, as amended, Eddy County, New Mexico.

GEORGE H. MITCHELL

the Applicant herein, offered himself as a witness, being first duly sworn, was examined and testified as follows:

DIRECT EXAMINATION

BY MR. HATCH:

Q State your name and identify yourself for the record.

A I am George H. Mitchell, from Kermit, Texas.

Q This is your application?

A Yes, sir. I am asking for an exception to Rule 3, R-3221. I have a lease in Eddy County, New Mexico. I have a plat here of that lease and the well, and if you would like, I would like to mark this.

(Whereupon, Applicant's Exhibit Number 1, was marked for identification.)

Q Will you identify the well on there, and give the location?

A This well is located 700 -- just a minute, that is wrong. This well is located in the northwest quarter of the

northwest quarter of Section 34, Township 26 South, Range 29 East, Eddy County, New Mexico.

Q Is that well shown on this plat?

A Yes, this well is shown on this plat. I have one well that isn't designated on that plat, on the lease, and it makes, for the average six months, 696 barrels of oil, this is in December; and 1,434 barrels of water, which would average -- my calculation is about three barrels, approximately, three barrels of oil a day, and about eight barrels of water, which would average out about 116 barrels of oil a month and 240 barrels of water.

Now, the closest fresh water to this location is approximately eight miles east, two wells belonging to El Paso Natural Gas Company.

MR. PORTER: Water wells?

THE WITNESS: Fresh water wells suitable for stock and human consumption.

MR. PORTER: They are approximately eight miles away, you say?

THE WITNESS: Yes, sir, I would say east.

MR. PORTER: Do you know the location of those wells by Section, Township?

THE WITNESS: No, sir, I sure don't, I'm sorry.

MR. PORTER: Is there anything else?

THE WITNESS: There is a farm, I would say, approximately two miles north that has an irrigation well that is not fresh water, and no one lives there or no residents of this farm, and what time they do stay there, they have to haul their drinking water in.

MR. PORTER: But the water from two miles north is used for irrigation?

THE WITNESS: Yes. And this is a hilly range, and it is north of Red Bluff Dam, and it is east of the Pecos River, and it is in the hilly country, and this farm now is uphill from this particular location.

There is a stock water well approximately two and a half miles, that would be south and east of this location, it is used for stock purposes only. I knew it wasn't good to use, and I didn't think it would be necessary to bring in an analysis of this water. But I do have the well record that was filed with the New Mexico Oil Conservation Commission in Santa Fe, in October, in 1961, which gives the depth and thicknesses of each formation that this pit went through while they were filling this particular well.

MR. HATCH: Would you like this as an exhibit?

THE WITNESS: Yes.

MR. HATCH: We will mark this as Exhibit 2.

(Whereupon, Applicant's Exhibit
Number 2 was marked for
identification.)

MR. HATCH: Did you want to read any of the
information on here?

THE WITNESS: No, other than you might read the
first of it there.

MR. HATCH: Why don't you go through that?

THE WITNESS: Here it says that on the surface
there is no anhydrite present in the surface. It is, oh,
I'd say it is red clay, gravel, and adobe, and hard slate
rock. And from that, I would say that it was salt,
according to this. I have a pit, there is an old pit on
that, but it is off adjacent to the pit in use at this time,
or it was at that time, and it is approximately 30 by 30,
and I'd say it is, oh, two or three feet deep. I believe
that is all I have.

MR. PORTER: Does anyone have any questions of Mr.
Mitchell?

CROSS EXAMINATION

BY MR. NUTTER:

Q Mr. Mitchell, how far from your pit is the Pecos

River?

A I'd say it is approximately a mile and a half.

Q Is there any production of oil in the State of Texas immediately to the south of this area?

A Yes, sir, there is four wells.

Q And have applications been entertained by the Railroad Commission of Texas for exceptions to the salt water disposal order?

A It is my understanding they have, sir.

Q Do you know whether the Texas Railroad Commission has approved or has denied the applications for exceptions in that area?

A I couldn't answer that. They are still putting water in the pit adjacent to my lease in Texas.

Q You are not aware that the Railroad Commission has denied the application in that area, then?

A No, sir, I could not say.

Q What would be the nature of the drainage from your pit, as far as the river is concerned? Would the surface drainage be toward the river?

A Yes, it would.

Q Would it be fair to assume then that subsurface drainage in the gravel beds immediately below the surface

would be toward the river?

A Now, that I couldn't say. Now, that is upheaval, what I mean, it is rolled, and where they have done excavation work and road work, why, there is hard rock would crop out, and it lays all different ways.

Q Now, the location of your pit is in the northwest quarter of the northwest quarter of Section 34, is that correct?

A Yes, in Lot 6, I believe.

MR. NUTTER: I would call the Commission's attention to the fact that the State Highway map indicates that the Pecos River in this area flows down the section line between Sections 33 and 34, and that the pit would be approximately five-eighths to three-quarters of a mile ^{east} ~~west~~ of the river.

That is all I have.

MR. PORTER: Does anyone else have a question?

Mr. Stamets, do you have any questions?

MR. STAMETS: No, I don't believe so.

MR. PORTER: Does anyone else have anything to offer in this case? The Commission will take the case under advisement.

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PAGE

WITNESS

GEORGE H. MITCHELL

Direct Examination by Mr. Hatch

Cross Examination by Mr. Nutter

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EXHIBITS

Applicant's Exhibit
Number 1

Applicant's Exhibit
Number 2

MARKED

2

5

OFFERED AND
ADMITTED

STATE OF NEW MEXICO)
)
COUNTY OF BERNALILLO) ss.

I, SAMUEL MORTELETTE, Court Reporter in and for the County of Bernalillo, State of New Mexico, do hereby certify that the foregoing and attached Transcript of Hearing 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.


COURT REPORTER



OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

P. O. BOX 2088 - SANTA FE

87501

GOVERNOR
DAVID F. CARGO
CHAIRMAN

LAND COMMISSIONER
ALEX J. ARMijo
MEMBER

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

May 20, 1969

Mr. George H. Mitchell
Post Office Box 963
Kermit, Texas

Re: Case No. 4101
Order No. R-3759

Applicant:
George H. Mitchell

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

Copy of order also sent to:

Hobbs OCC x

Artesia OCC x

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. 4101
Order No. R-3759

APPLICATION OF GEORGE H. MITCHELL
FOR AN EXCEPTION TO ORDER NO. R-3221,
AS AMENDED, EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on April 16, 1969, at Hobbs, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 20th day of May, 1969, the Commission, a quorum being present, having considered the testimony presented and the exhibits received at said hearing, 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 effective January 1, 1969, Order (3) of Commission Order No. R-3221, as amended, prohibits in that area encompassed by Lea, Eddy, Chaves, and Roosevelt Counties, New Mexico, the disposal, subject to minor exceptions, of water produced in conjunction with the production of oil or gas, or both, on the surface of the ground, or in any pit, pond, lake, depression, draw, streambed, or arroyo, or in any watercourse, or in any other place or in any manner which would constitute a hazard to any fresh water supplies and said disposal has not previously been prohibited.

(3) That the aforesaid Order No. R-3221 was issued in order to afford reasonable protection against contamination of fresh

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CASE No. 4101
Order No. R-3759

water supplies designated by the State Engineer through disposal of water produced in conjunction with the production of oil or gas, or both, in unlined surface pits.

(4) That the State Engineer has designated, pursuant to Section 65-3-11 (15), N.M.S.A., 1953 Compilation, all underground water in the State of New Mexico containing 10,000 parts per million or less of dissolved solids as fresh water supplies to be afforded reasonable protection against contamination; except that said designation does not include any water for which there is no present or reasonably foreseeable beneficial use that would be impaired by contamination.

(5) That the applicant, George H. Mitchell, seeks an exception to the provisions of the aforesaid Order (3) to permit the disposal of water produced in conjunction with the production of oil or gas, or both, by the operators of all wells producing from the Pecos-Delaware Pool, Eddy County, New Mexico, in unlined surface pits serving said wells.

(6) That fresh water supplies as designated by the State Engineer exist in the vicinity of the subject wells and in the vicinity of the disposal pits serving said wells.

(7) That the applicant has failed to establish that disposal of water produced in conjunction with the production of oil or gas, or both, by the wells producing from the Pecos-Delaware Pool in unlined surface pits would not constitute a threat of contamination of fresh water supplies existing in the vicinity of said pits.

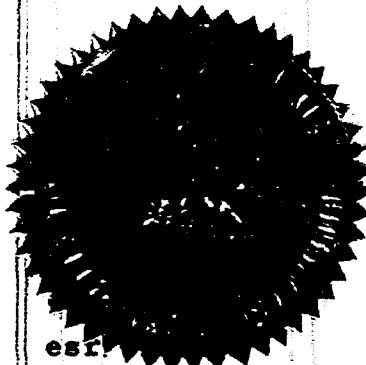
(8) That the subject application should be denied.

IT IS THEREFORE ORDERED:

(1) That the subject application is hereby denied.

(2) 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

DAVID F. CARGO, Chairman

ALEX J. ARMISTEAD, Member

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

DOCKET: REGULAR HEARING - WEDNESDAY - APRIL 16, 1969

OIL CONSERVATION COMMISSION - 9 A.M. THE HOLIDAY INN, 200 SOUTH LINAM,
HOBBS, NEW MEXICO

- ALLOWABLE: (1) Consideration of the oil allowable for May, 1969.
- (2) Consideration of the allowable production of gas for May, 1969, from thirteen prorated pools in Lea, Eddy, and Roosevelt Counties, New Mexico. Consideration of the allowable production of gas from nine prorated pools in San Juan, Rio Arriba and Sandoval Counties, New Mexico, for May, 1969.

CASE 4099:

Application of Joseph L. Dunigan for an exception to Order No. R-3221, as amended, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Order No. R-3221, as amended, which order prohibits the disposal of water produced in conjunction with the production of oil on the surface of the ground in Lea, Eddy, Chaves, and Roosevelt Counties, New Mexico, after January 1, 1969. Said exception would be for the Sudderth and Hicks Vickers Well No. 1 located in Unit A of Section 23, Township 20 South, Range 28 East, Russell (Yates) Pool, Eddy County, New Mexico. Applicant seeks authority to continue to dispose of produced salt water in an unlined surface pit located near said well.

CASE 4100:

Application of J. M. C. Ritchie for an exception to Order No. R-3221, as amended, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Order No. R-3221, as amended, which order prohibits the disposal of water produced in conjunction with the production of oil on the surface of the ground in Lea, Eddy, Chaves, and Roosevelt Counties, New Mexico, after January 1, 1969. Said exception would be for four wells located in Sections 16, 20 and 21 of Township 26 South, Range 27 West, Welch-Delaware Pool, Eddy County, New Mexico. Applicant seeks authority to continue to dispose of salt water produced by the four wells in unlined surface pits.

CASE 4101:

Application of George R. Mitchell for an exception to Order No. R-3221, as amended, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Order No. R-3221, as amended, which order prohibits the disposal of water produced in conjunction with the production of oil or gas or both, on the surface of the ground in Lea, Eddy, Chaves, and Roosevelt Counties, New Mexico, after January 1, 1969. Said exception would be for all wells producing from the Pecos-Delaware Pool, Eddy County, New Mexico. Applicant seeks authority for the operators of said wells to continue to dispose of produced water in unlined surface pits servicing said wells.

CASE 4102: Application of W. H. McKinley for an exception to Order No. R-3221, as amended, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Order No. R-3221, as amended which order prohibits the disposal of water produced in conjunction with the production of oil or gas, or both, on the surface of the ground in Lea, Eddy, Chaves, and Roosevelt Counties, New Mexico, after January 1, 1969. Said exception would be for the applicant's lease covering the SE/4 of Section 1, Township 17 South, Range 30 East, Square Lake Grayburg-San Andres Pool, Eddy County, New Mexico. Applicant seeks authority to continue to dispose of salt water produced by the wells on said lease in unlined surface pits.

CASE 4103: 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 Queen and Penrose formations in the perforated interval from approximately 4823 feet to 5146 feet in the Charles B. Read Atlantic Richfield Well No. 2 located 660 feet from the South and West lines of Section 13, Township 19 South, Range 34 East, Quail-Queen Pool, Lea County, New Mexico.

CASE 4104: In the matter of the hearing called by the Oil Conservation Commission upon its own motion to consider the adoption of an administrative procedure whereby the Secretary-Director of the Commission could grant exceptions to Rule 303 (a) of the Commission Rules and Regulations and permit marginal zones in dually completed oil wells to be commingled in the well-bore provided waste would not result thereby, provided dual-flow down-hole choke assemblies or other acceptable mechanical devices were installed, and provided that the total production from both zones would not exceed top allowable for the uppermost zone. Further, to consider an administrative procedure to permit down-hole commingling of low marginal wells approaching their economic limit without the installation of the above-mentioned down-hole equipment.

CASE 4105: Southeastern nomenclature case calling for an order for the creation and extension of certain pools in Lea, Eddy, Chaves and Roosevelt Counties, New Mexico:

(a) Create a new pool in Lea County, New Mexico, classified as an oil pool for San Andres production and designated as the Cormac-San Andres Pool comprising the following:

TOWNSHIP 10 SOUTH, RANGE 33 EAST, NMPM
Section 17: NE/4

Further, for the assignment of approximately 22,040 barrels of oil discovery allowable to the discovery well Corinne Grace's T. P. State Well No. 1 located in Unit A of said Section 17.

(b) Create a new pool in Eddy County, New Mexico, classified as a gas pool for Morrow production and designated as the South Carlsbad-Morrow Gas Pool. The discovery well is Pennzoil United, Inc., Mobil 12 Federal No. 1 located in Unit G of Section 12, Township 23 South, Range 26 East, NMPM. Said pool should comprise:

TOWNSHIP 23 SOUTH, RANGE 26 EAST, NMPM
SECTION 12: N/2

(c) Create a new pool in Lea County, New Mexico, classified as an oil pool for Delaware production and designated as the Lusk-Delaware Pool. The discovery well is Pan American Petroleum Corporation, Plains Unit Federal No. 7 located in Unit D of Section 33, Township 19 South, Range 32 East. Said pool should comprise:

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM
SECTION 33: NW/4

(d) Extend the East Bluit-San Andres Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 37 EAST, NMPM
SECTION 13: SW/4

TOWNSHIP 8 SOUTH, RANGE 38 EAST, NMPM
SECTION 18: NW/4

(e) Extend the South Corbin-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 33 EAST, NMPM
SECTION 29: W/2

(f) Extend the Drinkard Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM
SECTION 25: NW/4

(g) Extend the Hobbs-Blinbry Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 38 EAST, NMPM
SECTION 29: SW/4

(h) Extend the Imperial Tubb-Drinkard Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 37 EAST, NMPM
SECTION 21: E/2
SECTION 27: SW/4
SECTION 28: E/2
SECTION 33: NE/4

(i) Extend the Maljamar-Grayburg-San Andres Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 33 EAST, NMPM
SECTION 9: SE/4

(j) Extend the South Prairie-Devonian Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 36 EAST, NMPM
SECTION 20: W/2 NE/4

(k) Extend the Sulimar-Queen Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 15 SOUTH, RANGE 29 EAST, NMPM
SECTION 24: S/2 NE/4

(l) Extend the Teague-Blinebry Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 37 EAST, NMPM
SECTION 33: SE/4

(m) Extend the Vada-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 33 EAST, NMPM
SECTION 36: E/2

TOWNSHIP 9 SOUTH, RANGE 34 EAST, NMPM
SECTION 31: SW/4
SECTION 34: NW/4

TOWNSHIP 10 SOUTH, RANGE 33 EAST, NMPM
SECTION 1: NE/4

TOWNSHIP 10 SOUTH, RANGE 34 EAST, NMPM
SECTION 5: NE/4

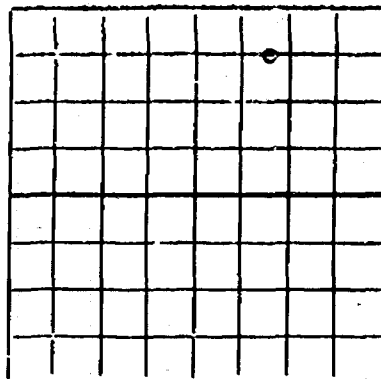
(n) Extend the Wantz-Abo Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM
SECTION 1: S/2

TOWNSHIP 21 SOUTH, RANGE 38 EAST, NMPM
SECTION 6: SW/4
SECTION 18: NW/4

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM
SECTION 1: S/2

TOWNSHIP 22 SOUTH, RANGE 38 EAST, NMPM
SECTION 6: S/2
SECTION 7: NW/4



AREA 640 ACRES
LOCATE WELL CORRECTLY

NEW MEXICO OIL CONSERVATION COMMISSION

Santa Fe, New Mexico

WELL RECORD

Mail to District Office, Oil Conservation Commission, to which Form C-101 was sent not later than twenty days after completion of well. Follow instructions in Rules and Regulations of the Commission. Submit in QUINTUPLICATE. If State Land submit 6 Copies

Gulf Oil Corporation (Company or Operator) **Federal Littlefield "B0"** (Lease)

Well No. 1, in NW $\frac{1}{4}$ of NE $\frac{1}{4}$, of Sec. 34, T. 26-S, R. 29-E, NMPM.

Undesignated Pool, Eddy County.

Well is 948.80 feet from North line and 1659.90 feet from East line

of Section 34. If State Land the Oil and Gas Lease No. is -

Drilling Commenced 6-28, 1961 Drilling was Completed 7-9, 1961

Name of Drilling Contractor Hillin Drilling Company

Address 203 Wilco Building, Midland, Texas

G. L.

Elevation above sea level at Top of Tubing Head 2882.52. The information given is to be kept confidential until 19.

OIL SANDS OR ZONES

No. 1, from 2895 to 2970 No. 4, from to

No. 2, from to No. 5, from to

No. 3, from to No. 6, from to

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from to feet.

No. 2, from to feet.

No. 3, from to feet.

No. 4, from to feet.

CASING RECORD

SIZE	WEIGHT PER FOOT	NEW OR USED	AMOUNT	KIND OF SHOE	CUT AND PULLED FROM	PERFORATIONS	PURPOSE
8-5/8	24	New	353'	HOWCO	None	-	-
4-1/2	9.5	New	2960'	Baker	None	Notched @ 2957'	

MUDDING AND CEMENTING RECORD

SIZE OF HOLE	SIZE OF CASING	WHERE SET	NO. BAGS OF CEMENT	METHOD USED	MUD GRAVITY	AMOUNT OF MUD USED
12-1/2	8-5/8	363	175	B-J P&P		
7-5/8"	4-1/2	2970	70	B-J P&P		

RECORD OF PRODUCTION AND STIMULATION

(Record the Process used, No. of Qts. or Gals. used, interval treated or shot.)

Perforated 4-1/2" casing @ 2957' w/4 holes, spotted 250 gal mud acid, tried to breakdown to 3500#, held for 30 min, reversed out acid. Notched 4-1/2" casing @ 2957', treated w/500 gal mud acid & 500 gal gelled lease oil w/1/20# Adomita & 1-1/2" (16-20) sand per gal, treating press 1400#, AIR 6.5 BPM.

Result of Production Stimulation After load oil was recovered, flowed 22 BO, 88 BW 2-3/8" tubing, 22/64" ck in 24 hrs.

Depth Cleaned Out

FORM OF DRILL-STEM AND SPECIAL TEST

If drill-stem or other special tests or deviation surveys were made, submit report on separate sheet and attach hereto

TOOLS USED

Rotary tools were used from 0 feet to 2936 feet, and from 2936 feet to 2936 feet.
Cable tools were used from 0 feet to 2936 feet, and from 2936 feet to 2936 feet.

PRODUCTION

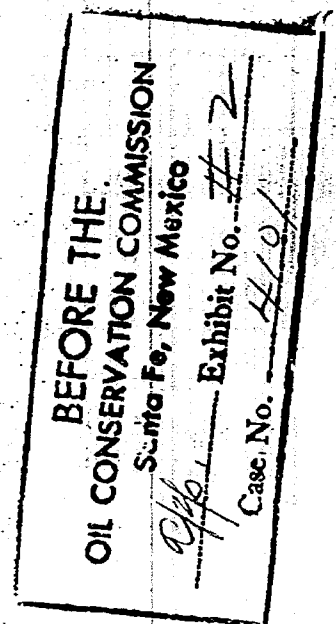
Put to Producing 8-23, 1961
OIL WELL: The production during the first 24 hours was 110 barrels of liquid of which 20 % was oil; 80 % was emulsion; 80 % water; and 0 % was sediment. A.P.I. Gravity 38.3
GAS WELL: The production during the first 24 hours was M.C.F. plus barrels of liquid Hydrocarbon. Shut in Pressure lbs.
Length of Time Shut in

PLEASE INDICATE BELOW FORMATION TOPS (IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE):

Southeastern New Mexico		Northwestern New Mexico
T. Anhy.	Not present	T. Devonian
T. Salt.	900'	T. Silurian
B. Salt.	2615'	T. Montoya
T. Del. Lime	2854'	T. Simpson
T. P. Rivers	2898'	T. McKee
T. Queen		T. Ellenburger
T. Grayburg		T. Gr. Wash
T. San Andres		T. Granite
T. Glorieta		T.
T. Drinkard		T.
T. Tubbs		T.
T. Abo		T.
T. Penn.		T.
T. Miss.		T.

FORMATION RECORD

From	To	Thickness in Feet	Formation	From	To	Thickness in Feet	Formation
0	10	10	Kelly drive casing to ground				
	1090	1080	Salt & Anhy				
	2160	1070	Anhy				
	2300	140	Salt				
	2390	90	Anh				
	2665	275	Salt				
	2855	190	Anhy				
	2895	40	Lime & Shale				
	2970	75	Sand				



ATTACH SEPARATE SHEET IF ADDITIONAL SPACE IS NEEDED

I hereby swear or affirm that the information given herewith is a complete and correct record of the well and all work done on it so far as can be determined from available records.

October 3, 1961 (Date)
Company or Operator Gulf Oil Corporation Address P.O. Box 766, Kermit, Texas
Name W. W. WHITAKER Position or Title Area Engineer

DRAFT

GMH/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. 4101

Order No. R-3759

APPLICATION OF GEORGE H. MITCHELL
FOR AN EXCEPTION TO ORDER NO. R-3221,
AS AMENDED, EDDY COUNTY, NEW MEXICO.

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BY THE COMMISSION:

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NOW, on this 16th day of April, 1969, the Commission, a quorum being present, having considered the testimony presented and the exhibits received at said hearing, 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 effective January 1, 1969, Order (3) of Commission Order No. R-3221, as amended, prohibits in that area encompassed by Lea, Eddy, Chaves, and Roosevelt Counties, New Mexico, the disposal, subject to minor exceptions, of water produced in conjunction with the production of oil or gas, or both, on the surface of the ground, or in any pit, pond, lake, depression, draw, streambed, or arroyo, or in any watercourse, or in any other place or in any manner which would constitute a hazard to any fresh water supplies and said disposal has not previously been prohibited.

(3) That the aforesaid Order No. R-3221 was issued in order to afford reasonable protection against contamination of fresh

water supplies designated by the State Engineer through disposal of water produced in conjunction with the production of oil or gas, or both, in unlined surface pits.

(4) That the State Engineer has designated, pursuant to Section 65-3-11 (15), N.M.S.A., 1953 Compilation, all underground water in the State of New Mexico containing 10,000 parts per million or less of dissolved solids as fresh water supplies to be afforded reasonable protection against contamination; except that said designation does not include any water for which there is no present or reasonably foreseeable beneficial use that would be impaired by contamination.

(5) That the applicant, George H. Mitchell, seeks an exception to the provisions of the aforesaid Order (3) to permit the ~~continued~~ disposal of water produced in conjunction with the production of oil or gas, or both, by the operators of all wells producing from the Pecos-Delaware Pool, Eddy County, New Mexico, in ~~the~~ unlined surface pits ^{serving} said wells.

(6) That fresh water supplies as designated by the State Engineer exist in the vicinity of the subject ~~poor~~ ^{suits} and disposal pits ~~serving~~ ^{in the vicinity of the} said wells.

(7) That the applicant has failed to establish that ~~continued~~ disposal of water produced in conjunction with the production of oil or gas, or both, by the wells producing from the Pecos-Delaware Pool in unlined surface pits would not constitute a threat of contamination of fresh water supplies existing in the vicinity of said pits.

(8) That the subject application should be denied.

It is Therefore Ordered:

- (1) that the subject application is hereby denied.
(2) That jurisdiction of this cause is retained for the entry of such further order as the Commission may deem necessary.

Mitchell, Kenneth

225-298

above 1st floor corner
in the main entry.

in basement
3-5 porch 5-6 porch is

Paces

~~Van Hatten~~

~~Please call Jim
Taylor with McGrath
& Smith.~~

~~915-683-4661~~