

DEARNLEY-MEIER REPORTING SERVICE, Inc.

PHONE CH 3-6691

ALBUQUERQUE, NEW MEXICO

BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
November 2, 1960
Examiner Hearing
Case No. 2117

IN THE MATTER OF:)

)
Application of Rice Engineering &)
Operating, Inc., for a salt water disposal)
well at an unorthodox location. Applicant,))
in the above-styled cause, seeks an order)
approving the disposal of produced salt)
water into the San Andres formation,)
Monument Pool, Lea County, New Mexico,)
through a well to be drilled 1485 feet)
from the South and West lines of Section)
33, Township 19 South, Range 37 East.)

BEFORE:

Elvis A. Utz, Examiner

TRANSCRIPT OF HEARING

MR. UTZ: Case 2117.

MR. MORRIS: Case 2117, application of Rice Engineering and Operating, Inc., for a salt water disposal well at an unorthodox location.

MR. KELLAHIN: Jason Kellahin of Kellahin & Fox, Santa Fe, representing the Applicant. We have one witness, Mr. W. G. Abbott.

(Witness sworn.)

MR. KELLAHIN: Shall we mark the Exhibits first?

MR. UTZ: Yes, why don't we. Other appearances?



MR. KELLAHIN: This is A, this is B, C and D.

W. G. ABBOTT

called as a witness, having been previously duly sworn, testified as follows:

DIRECT EXAMINATION

BY MR. KELLAHIN:

Q Would you state your name, please?

A My name is W. G. Abbott.

Q By whom are you employed and in what position?

A I am Division Manager of Rice Engineering and Operating, Inc., at Hobbs, New Mexico.

Q You have previously testified before this Commission as an engineer, have you not, Mr. Abbott?

A Yes.

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

MR. UTZ: Yes, sir.

Q (By Mr. Kellahin) Mr. Abbott, are you familiar with the application 2117?

A Yes, sir.

Q Would you state briefly what is proposed in this application?

A We propose to drill a salt water disposal well on the Amerada-Phillips lease. This well will be known as our SWD K-33. We propose to drill it 1485 feet from the south and west lines of

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Section 33, Township 19 South, Range 37 East. This well will be drilled to the lower San Andres formation.

Q Now, referring to what has been marked as Exhibit No. A, would you discuss the information on that Exhibit?

A Exhibit A shows a plat of the area and the proposed SWD well K-33. Also, there is a red circle drawn around the K-33 well, half-mile radius, and also there is a trace drawn on this map of a cross-section A-A'.

Q Now, the disposal well will be located on a lease held by Amerada, is that correct?

A Yes.

Q Do you have Amerada's concurrence in this application?

A Yes. We have a letter authorizing us to locate the well on their lease.

Q Now, referring to what has been marked as Exhibit B, would you discuss the proposed completion to be made on this well?

A Exhibit B is a diagrammatic sketch of the proposed well. We propose to set 9 5/8-inch surface pipe at 800 feet and circulate the cement and then set 7-inch casing at 4500 feet. We will complete the well, open hole, from 4500 feet down to 5000 feet. We haven't shown it on this Exhibit, but we do propose to run a 5 1/2-inch tubing string in this well, also.

Q Will there be any protection between the tubing string and the casing?

A Yes, The tubing string will be a plastic-lined tubing



string and, also, in the annular space between the 5 1/2-inch and the 7-inch, we will load that annular space with sweet oil, or kerosene or gasoline.

Q In your opinion, will that type of completion adequately protect any fresh water zones, or any producing zones that may be encountered in the well bore?

A Yes, sir, it will. The sweet oil protects the inside of the casing and, also, the outside of the tubing string, and then the inside of the tubing string will be plastic-lined, so that it should be -- should protect the fresh water.

Q Now, referring to what has been marked as Exhibit C, is that the cross-section shown on Exhibit A?

A Yes, this is the cross-section A-A' as drawn on Exhibit A. It runs from west to east. Shown on it are the completions of the following wells: The Kelly-Crutchfield well, the Gulf-Hatchett, our proposed SWD K-33, the Amerada-Sheriff-Phillips No. 2, and the Byron Williams B No. 2.

Q Now, there is a distinct zone of separation between the producing wells and the disposal zone, is there?

A Yes. There is approximately 600 feet of separation there.

Q In your opinion, would there be any communication of disposed water with the producing horizon involved in this area?

A No, I don't believe there would.

Q Now, referring to what has been marked as Exhibit D,



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would you discuss the information shown on that Exhibit?

A Exhibit D shows the completion interval, Sub-C, for all the wells in this half-mile radius of the K-33 well.

Q Are any of these wells San Andres wells?

A It's pretty hard to say. There may be some San Andres zones open in the deeper wells. The Amerada-Haney No. 1 and the Amerada-Sheriff-Phillips No. 1, and, maybe, the Sheriff-Phillips No. 2 -- there is no distinct break there between the Grayberg and the San Andres, and it is hard to say if those -- any of them are in the San Andres.

Q Well, there would still be a considerable area of separation between those completions and the proposed completion with your salt water well, is there?

A Yes, sir.

Q Is the San Andres productive of water in this area?

A Yes, sir.

Q Then the production, if any, would be from the upper zone. Would that be affected, then, by the disposal of the salt water?

A No, sir.

Q What is the source of water that you propose to dispose?

A The water that we will dispose in this well is produced in the Monument pay and the Monument Paddock and Blinebry, and it is water that is flowing through our EME-SWD system.

Q What volumes of water do you anticipate disposing of in



this particular well?

A Oh, approximately 15,000 barrels a day.

Q In your opinion, will the San Andres formation, completed as you proposed to make this completion, take that volume of water?

A Yes, sir, it will take that volume by gravity.

Q Were Exhibits A through D prepared by you or under your direction and supervision?

A Yes, sir.

MR. KELLAHIN: At this time, I would like to offer in evidence Exhibits A, B, C and D.

MR. UTZ: Without objection, Exhibits A through D will be entered into the record.

MR. KELLAHIN: That is all the questions I have.

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

Are there statements in this case? The case will be taken under advisement.

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W. G. ABBOTT
 Direct Examination by Mr. Kellahin

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Applicant's Exhibits
 A, B, C and D

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