

BEFORE THE OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

RECEIVED

IN THE MATTER OF THE APPLICATION OF
SOUTHWEST ROYALTIES, INC. FOR AUTHORIZATION
TO INJECT THE JULIE COM WELL #1, SEC. 17,
TOWNSHIP 19 SOUTH, RANGE 25 EAST, N.M.P.M.,
EDDY COUNTY, NEW MEXICO

SEP 1 1992

OIL CONSERVATION DIVISION

CASE NO. 10559

PRE-HEARING STATEMENT

This prehearing statement is submitted by Yates Petroleum Corporation as required by the Oil Conservation Division.

APPEARANCE OF PARTIES

APPLICANT

Southwest Royalties, Inc.

ATTORNEY

Paul A. Cooter
Rodey, Dickason, Sloan, Akin
& Robb, P.A.
P. O. Box 1357
Santa Fe, NM 87504-1357

OPPOSITION OR OTHER PARTY

Yates Petroleum Corporation
105 S. Fourth Street
Artesia, NM 88210

ATTORNEY

Ernest L. Carroll
Losee, Carson, Haas
& Carroll, P. A.
P. O. Drawer 239
Artesia, NM 88211-0239

STATEMENT OF CASE

APPLICANT

See Pre-hearing Statement of Southwest Royalties, Inc.

OPPOSITION

Yates Petroleum Corporation objects to Southwest Royalties, Inc.'s Application for salt water disposal.

PROPOSED EVIDENCE

APPLICANT

See Pre-hearing Statement of Southwest Royalties, Inc.

OPPOSITION

POTENTIAL WITNESSES

D'Nese Fly, Geologist
Dave Boneau, Engineer

YATES PETROLEUM CORPORATION

By: Dean B. Crow for
Ernest L. Carroll
LOSEE, CARSON, HAAS & CARROLL, P.A.
P. O. Drawer 239
Artesia, New Mexico 88211-0239
(505) 746-3505

Attorneys for Yates Petroleum Corp.

I hereby certify that I caused to be
mailed a true and correct copy of the
foregoing to all counsel of record
this September 11, 1992.

Dean B. Crow for
Ernest L. Carroll

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION OF
SOUTHWEST ROYALTIES, INC., FOR SALT
WATER DISPOSAL, EDDY COUNTY, NEW
MEXICO

CASE NO. 10559

PRE-HEARING STATEMENT

This Pre-Hearing Statement is submitted by Southwest Royalties, Inc.

APPEARANCE OF PARTIES

APPLICANT

Southwest Royalties, Inc.
P.O. Box 11390
Midland, Texas 79702-8390

ATTORNEY

Paul A. Cooter
Rodey, Dickason, Sloan, Akin & Robb, P.A.
Post Office Box 1357
Santa Fe, New Mexico 87504-1357
Tel. 505/984-0100

STATEMENT OF THE CASE

APPLICANT

Southwest Royalties, Inc. seeks authority to re-enter the previously plugged and abandoned Conoco, Inc. Julie Com Well Number 1 located 1980 feet from the North line and 990 feet from the East line (Unit "H") of Section 17, Township 19 South, Range 25 East, NMPM, Eddy County, New Mexico, and utilize that well to dispose of produced salt water into the Abo Formation through the perforated interval from approximately 4000 feet to 5000 feet beneath the surface. That well is approximately 6-1/2 miles NW of Seven Rivers, New Mexico.

PROPOSED EVIDENCE

APPLICANT

WITNESS	EST. TIME	EXHIBITS	
Gary Hendricks	45 minutes	(1)	Map that identifies all wells and leases within two miles of the proposed injection well with a one-half mile radius circle drawn around that well, which identifies the well's area of review

WITNESS**EST. TIME EXHIBITS (Continued)**

- (2) Proposed re-entry and conversion to injection procedure with schematics of the current status and proposed completion of that injection well and the Oil Conservation Division's Sundry Notice and Report on Well (Form C-103) filed by Conoco, Inc. on the plugging and abandonment of that well
- (3) (Duplicate)
- (4) (Duplicate)
- (5) Plat showing current producing wells off-setting the proposed injection well with current, average monthly production
- (6) Plat showing cumulative production wells off-setting the proposed injection well with current, average monthly production
- (7) Table showing casing and cementing data on all wells off-setting the proposed injection well
- (8) Log of the Dagger Draw Number 1 Well showing the proposed Abo injection zone
- (9) Plat showing the location of Yates Petroleum's disposal wells in Sections 3 and 10, Township 20 South, Range 24 East, NMPM, Eddy County, New Mexico, with the cumulative production of the off-setting wells
- (10) Log of Yates Petroleum's Donahue Federal Number 1 Well, its salt water disposal well in Section 10
- (11) Tabulation of the salt water disposed by Yates Petroleum in its Bate-Federal Number 1 Well, its salt water disposal well in Section 3
- (12) Tabulation of the salt water disposed by Yates Petroleum in its Donahue Federal Number 1 Well, its salt water disposal well in Section 10

WITNESS	EST. TIME	EXHIBITS (Continued)
		(13) Chemical analysis of the fresh water from the well located approximately 1½-2 miles SW of Southwest Royalties, Inc. proposed salt water disposal well
Richard Masterson	10 minutes	None known at this time
Jon Tate	10 minutes	(14) Salt water disposal agreement between Howard Howell and Betty Howell, his wife, grantors, and Southwest Royalties, Inc., operator

PROCEDURAL MATTERS

None known at this time.

Respectfully submitted:

RODEY, DICKASON, SLOAN, AKIN & ROBB, P.A.

By: 

Paul A. Cooter
 Post Office Box 1357
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STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION COMMISSION

RECEIVED

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

SEP 1 1992

OIL CONSERVATION DIVISION

APPLICATION OF SOUTHWEST ROYALTIES,
INC. FOR SALT WATER DISPOSAL, EDDY
COUNTY, NEW MEXICO.

CASE NO. 10559

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by CONOCO INC.
as required by the Oil Conservation Division.

APPEARANCE OF PARTIES

APPLICANT

Southwest Royalties, Inc.
407 North Big Spring
Midland, Texas 79701
Attn: Mr. Jon Tate

ATTORNEY

Paul Cooter, Esq
P. O. Box 1357
Santa Fe, New Mexico 87501
(505) 984-0100

OPPOSITION OR OTHER PARTY

CONOCO INC.
10 Desta Drive West
Midland, TX 79702
ATTN: Jerry Hoover

ATTORNEY

W. Thomas Kellahin
KELLAHIN & KELLAHIN
P.O. Box 2265
Santa Fe, NM 87504
(505) 982-4285

STATEMENT OF CASE

APPLICANT

SEE APPLICANT FILING

OPPOSITION OR OTHER PARTY

Conoco, Inc. (Conoco) is opposed to Southwest Royalties, Inc. seeking to dispose of water produced from the Cisco Formation into an interval that they have designated as the Abo Formation.

The designated interval for disposal identified by Southwest Royalties as the Abo Formation would be more appropriately designated as the Bone Spring. The Bone Spring as it moves into the Delaware Basin is hydrocarbon productive, but has not been tested at this location yet.

Therefore, disposal in this interval has the potential of either being a poor disposal zone or of damaging possible hydrocarbon producing zones.

PROPOSED EVIDENCE

APPLICANT

WITNESSES	EST. TIME	EXHIBITS
SEE APPLICANT FILING		

OPPOSITION

WITNESSES	EST. TIME	EXHIBITS
Bill Hardie Geologist	45 min.	Approx. 3

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PROCEDURAL MATTERS

None at this time.

KELLAHIN and KELLAHIN

By:



W. Thomas Kellahin

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Santa Fe, New Mexico 87504
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ATTORNEYS FOR CONOCO INC.