



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
 OIL CONSERVATION DIVISION
 HOBBS DISTRICT OFFICE

GARREY CARRUTHERS
 GOVERNOR

12-7-88

Case file
Case 9574

POST OFFICE BOX 1980
 HOBBS, NEW MEXICO 88241-1980
 (505) 393-6161

OIL CONSERVATION DIVISION
 P. O. BOX 2088
 SANTA FE, NEW MEXICO 87501

RE: Proposed:

- MC _____
- DHC _____
- NSL _____
- NSP _____
- SWD _____
- WFX _____
- PMX _____

Gentlemen:

I have examined the application for the:

Marshall Pipe + Supply Co. Cook #1-B 34-2-29
 Operator Lease & Well No. Unit S-T-R

and my recommendations are as follows:

OK JS

Yours very truly,

Jerry Sexton
 Jerry Sexton
 Supervisor, District 1

/ed

January 26, 1989



Energy and Minerals Department
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87504

Re: Case No. 9574
Conversion of Cook No. 1 Well
to a Salt Water Disposal Well
Township 2 South, Range 29 East, NMPM
Section 34: NE/4
Roosevelt County, New Mexico

Gentlemen:

Please continue the hearing set on the Application of Marshall Pipe & Supply Company for dual completion and salt water disposal, Roosevelt County, New Mexico, which is scheduled for the hearing of February 1, 1989, until the Examiner Hearing of February 15, 1989.

Thank you.

Sincerely yours,

DICKERSON, FISK & VANDIVER


Chad Dickerson

CD:pvw

cc: Marshall Pipe & Supply Company
Mr. Eric J. Coll

MARSHALL Pipe & Supply Company

Drilling

Producing

13423 FORESTWAY DRIVE

DALLAS, TEXAS 75240

(214) 239-7284

J. W. Marshall
Dallas, Texas
RESIDENCE
(214) 233-7881

FILE

December 12th, 1988

State of New Mexico
Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

Case 9574

Re: Saltwater Disposal Well for Tule Field
Cook #1, NE/4 Section 34, T2S, R29E
Roosevelt County, New Mexico

Gentlemen:

As per our letter dated November 30th, 1988, enclosed
please find:

Clipping from The Portales News-Tribune
and
Affidavit of Publication (2 forms)

Very truly yours,

MARSHALL PIPE & SUPPLY COMPANY

J. W. Marshall
J. W. Marshall
JWM;vlj

encl:

cc: Oil Conservation Division
P.O. Box 1980
Hobbs, New Mexico 88241-1980
With copy of Clipping and Affidavits

cc: David Vandiver,
Dickerson, Fisk & Vandiver
Seventh and Mahone, Suite E
Artesia, New Mexico 88210

**LEGAL NOTICE
NOTICE OF APPLICATION FOR
OIL AND GAS WASTE DISPOSAL
WELL PERMIT**

Marshall Pipe & Supply Company, 13423 Forestway Dr., Dallas, Texas 75240 Telephone: 214-239-7284, has applied to the State of New Mexico, Energy and Minerals Department, Oil Conservation Division for a permit to dispose of produced salt water or other oil and gas waste by well injection into a porous formation not productive of oil or gas.

The applicant proposes to dispose of oil and gas waste into the Montoya formation of the Cook Lease, Well No. 1 NE/4 Section 34, T2S, R29 E, for Tule Field in Roosevelt County, New Mexico.

The waste water will be injected into strata in the subsurface depth interval from 7104 to 7118, average PSIG 200 to 1000 Maximum PSIG., through 2" Tubing with permanent packer set in 5-1/2" Casing, 100 bbls per day or as needed.

Interested parties must file objections or requests for hearing with the Oil Conservation Division, P.O. Box 1088, Santa Fe, New Mexico 87501 within 15 days.

Published in the Portales News-Tribune December 7, 1988. Legal 19847.

Affidavit of Publication

— 0 —

I, Marshall Stinnett
Business Manager of

THE PORTALES NEWS-TRIBUNE

a newspaper of general paid circulation and entered under second class postal privilege in Roosevelt County, published daily, (except Saturday) at Portales, New Mexico, for the fifty-two (52) consecutive weeks preceding this date, do solemnly swear that a copy of the above notice, as per clipping attached, was published weekly in the regular and entire issue of said

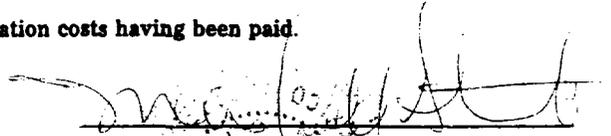
newspaper, and not in any supplement thereof for 1

consecutive weeks commencing with the issue dated _____

December 7 19 88

and ending with the issue dated December 7 19 88

All publication costs having been paid.



Subscribed and sworn to before me this 7th day of December 1988

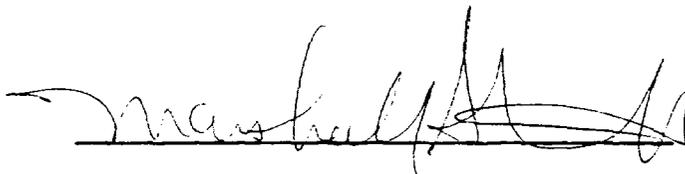
DeMaris Barnett
Notary Public

My commission expires 3/7/91 10

STATE OF New Mexico

COUNTY OF Roosevelt

Before me, the undersigned authority, on this day personally appeared Marshall Stinnett, the Business Manager of the Portales News-Tribune, a newspaper having general circulation in Roosevelt County, N.M., who being by me duly sworn, deposes and says that the foregoing attached notice was published in said newspaper on the following date(s), to wit: December 7, 1988.



Subscribed and sworn to before me this the 8th day of December, 1988, to certify which witness my hand and seal of office.

De Maris Barnett
Notary Public in and for

Roosevelt County, New Mexico

Legal #547

December 20, 1988

Mr. David Catanach
Energy and Minerals Department
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Case 9574

Re: Conversion of Cook No. 1 Well
to a Salt Water Disposal Well
Township 2 South, Range 29 East, NMPM
Section 34: NE/4
Roosevelt County, New Mexico

Dear Mr. Catanach:

This letter is to advise that the undersigned will be representing the Applicant, Marshall Pipe & Supply Company, in this case, which has been tentatively scheduled for hearing on January 13, 1989.

Thank you.

Sincerely yours,

DICKERSON, FISK & VANDIVER


Chad Dickerson

CD:pvw

cc: Mr. J. W. Marshall
Mr. Eric J. Coll

MARSHALL Pipe & Supply Company

Drilling

Producing

13423 FORESTWAY DRIVE

DALLAS, TEXAS 75240

(214) 239-7284

December 19th, 1988

J. W. Marshall
Dallas, Texas
RESIDENCE
(214) 233-7881

Mr. Chad Dickerson
Dickerson, Fisk & Vandiver
Seventh and Mahone
Suite E
Artesia, New Mexico 88210

copy Case 9574

Re: Marshall Pipe & Supply Co., etal,
Cook, a Shut-In-Gas Well,
perforated in Pennsylvanian Formation
7039 to 7953', Gammaray measurements,
7050 to 7064' Schlumberger "
6853 to 6857' and 6861 to 6863,
located in the N/2 of Section 34,
T2S, R29E, Roosevelt County, N.M.
Application filed with the
Energy, Mineral and Natural Resources
Dept., Oil Conservation Div. to
inject saltwater through the 2" EUE
4.70#, R2, 8rd thrd N80 Seamless Tubing
into the Montoya formation 7094 to
7105'. The 2" EUE Tubing with
Otis Seal Assembly and "N" Nipple
is "J-ed" up in an Otis WB Permanent
Packer set in the 5-1/2" Casing at
7070' Schlumberger Log and
produce gas through the 5-1/2" Casing
from the Pennsylvanian formation.

Dear Chad:

In regard to the above, we are enclosing a copy of all material filed with the Conservation Division. The above well is a Shut-In-Gas well because the casing pressure will build to 1400#, but when produced the pressure will not hold the 900# pressure to inject gas into the Pipe line gathering system. However, when the Tule gas Field to the North requires a Compressor Station to "buck" the 900# line pressure for eight miles of pipe line to Transwestern Pipe Line, then we plan to sell gas from the Cook #1. At the present time we are paying Shut-In-Gas Royalty Payments.

Enclosed please find copy of letter from the Oil Conservation Division, dated December 6th, 1988, setting a hearing for January 13th, 1989. If this date is not in keeping with your schedule you can probably get the hearing postponed for a couple of weeks, as we want you to represent Marshall Pipe & Supply Company, etal at this hearing.

MARSHALL Pipe & Supply Company

Drilling

Producing

13423 FORESTWAY DRIVE

DALLAS, TEXAS 75240

(214) 239-7284

J. W. Marshall
Dallas, Texas
RESIDENCE
(214) 233-7881

Page #2:

We are enclosing copy of our letter to T. D. Wilcox, Senior Petroleum Engineer, copy to David Nelson, Geologist, Nicor Exploration Company, Denver, Colo - - as Nicor is a working interest owner under the above well and field. We have requested that these two gentlemen represent us at this hearing, along with Leslie Bentz, Yates Petroleum Corp., if she is available.

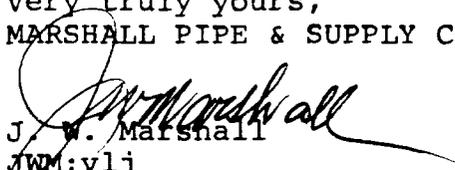
Also enclosed please find copy of letter from Sanders, Bruin, Coll & Worley, Attorneys, Roswell, New Mexico, representing Wendell Best and his sister, Thelma Parker, as they are protesting our application. In reading the second paragraph of Mr. Coll's letter we feel that he has been misinformed, or just does not have the knowledge of down-hole equipment to perform the above. Example: if you are injecting saltwater through the 2" tubing into the Montoya formation and producing gas through the 5-1/2" Casing and you get a leak in the 2" Tubing. The saltwater will invade the backside or casing and kill the gas well. Then you run an Otis wireline and insert an Otis plug in the "N" Nipple on top of the Otis Seal Assembly, and with the same wireline and tool you open the Otis side door sleeve that is in the 2" Tubing string at 6942' down, circulate through the backside or casing and kill the well completely. Un-J the Seal Assembly from the Otis Packer and pull out of the hole, find leak and hydrostat 2" Tubing back into hole with sleeve open and plug in "N" nipple, J up in packer, swab casing down through 2" Tubing through sleeve. Get gas back, close sleeve with Otis wireline and pull plug out of "N" nipple, start water back through 2" tubing and produce gas through 5-1/2" Casing.

Also enclosed please find copy of Drill Stem Test run by Halliburton which shows recovery on #1 Drill Stem Test of 2200' Gas, 375' gas cut mud and 625' of gas cut saltwater. After injecting mud acid the well showed solid saltwater with small show of gas in this Montoya section.

If you have any questions in regard to the above, please advise.

Wishing you and yours a very Merry Christmas and a Happy 1989!!

Very truly yours,
MARSHALL PIPE & SUPPLY COMPANY


J. W. Marshall
JWM;vlj

cc: T. D. Wilcox
David Nelson
NICOR EXPLORATION CO.,

cc: Leslie Bentz
YATES PET.


cc: David Catanach
Oil Conservation Div.



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

December 6, 1988

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

Marshall Pipe & Supply Co.
13423 Forestway Drive
Dallas, Texas 75240

Attention: J.W. Marshall

Re: Conversion of Cook Well No. 1
to a salt water disposal well

Dear Mr. Marshall:

Reference is made to your application dated November 30, 1988 for authorization to convert the Cook Well No. 1 to a salt water disposal well. I have reviewed the application and I feel that there are certain issues concerning the application that need to be addressed further. Among these issues are proposed method of mechanical integrity testing of the well and determination of potential reserve loss caused by injection into a productive formation.

For this reason, I have set the application for hearing before a Division examiner. Tentative hearing date as of this time is January 13, 1989. If you have any questions please contact me at (505) 827-5800.

Sincerely,

David Catanach
David Catanach
Engineer

xc: OCD-Hobbs

JAMES L. BRUIN
KENT CANADA
ROBERT V. COCHRANE
CHARLES H. COLL
ERIC J. COLL
STEVEN P. FISHER
RICHARD L. KRAFT
DAMON RICHARDS
MICHAEL T. WORLEY

LAW OFFICES OF
SANDERS, BRUIN, COLL & WORLEY, P.A.

600 UNITED BANK PLAZA
400 NORTH PENNSYLVANIA AVENUE
POST OFFICE BOX 550
ROSWELL, NEW MEXICO 88202-0550

T. T. SANDERS, JR.
OF COUNSEL

TELEPHONE
505-622-5440

TELECOPIER
505-622-9883

December 12, 1988

~~New Mexico Oil Conservation Division
P.O. Box 2098
Santa Fe, New Mexico 87501~~

Re: Marshall Pipe & Supply Company - Objection to
Application for Oil & Gas Waste Water Disposal Well Permit
Cook Well No. 1, NE/4, Section 34, T2S, R29E, for the
Tule Field, Roosevelt County, New Mexico

Gentlemen:

This letter will serve as notice that the law firm of Sanders, Bruin, Coll & Worley, P. A., hereby enters its Appearance for and Objection to the aforestated application on behalf of Wendell Best and Thelma Parker. Best and Parker hereby object to the use of the Cook No. 1 Well as an injection well because the well is alleged to be capable of producing gas in commercial quantities.

Best and Parker object to the use of the well to hold the lease and the pooled acreage. The well is alleged to be capable of producing gas in commercial quantities and yet at the same time is being used as an injection well. Either the well is capable of producing gas in commercial quantities and has been shut in or the well is not capable of producing gas in commercial quantities and should be used as an injection well. The well cannot be used as an injection well and at the same time be capable of producing gas in commercial quantity but unable to do so because of a "permanent" packer.

Additionally, Best and Parker request a hearing before the Oil Conservation Division on this matter.

Sincerely,

SANDERS, BRUIN, COLL & WORLEY, P. A.


Eric J. Coll

EJC:dk

cc: Marshall Pipe & Supply Co. ✓
Wendell Best & Thelma Parker

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

March 6, 1989

POST OFFICE BOX 2086
STATE LAND OFFICE BUILDING
SANTA FE NEW MEXICO 87501
(505) 827-5800

Mr. Chad Dickerson
Dickerson, Fisk & Vandiver
Attorneys at Law
Beverly and Mahone, Suite E
Artesia, New Mexico 88210

Re: CASE NO. 9574
ORDER NO. R-8884

Applicant:

Marshall Pipe & Supply

Dear Sir:

Enclosed herewith are two copies of the above-referenced Division order recently entered in the subject case.

Sincerely,

Florene Davidson

FLORENE DAVIDSON
OC Staff Specialist

Copy of order also sent to:

Hobbs OCD x
Artesia OCD x
Aztec OCD

Other Damon Richards