STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
State Land Office Building
Santa Fe, New Mexico

14 August 1985

EXAMINER HEARING

IN THE MATTER OF:

Application of Texaco Producing Inc. for salt water disposal, Lea County, New Mexico.	CASE 8677

BEFORE: Michael E. Stogner, Examiner

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation Division:	Jeff Taylor Legal Counsel to the Division Oil Conservation Division State Land Office Bldg. Santa Fe, New Mexico 87501
For the Applicant:	Robert Uram Attorney at Law WHITE, KOCH, KELLY & McCARTHY 220 Otero Street Santa Fe, New Mexico 87501
Appearing Pro Se:	Mr. Floyd Sims and Mr. R. D. Sims

I N D E X

E X H I B I T S

MR. STOGNER: This hearing will resume to order.

Call Case Number 8677.

MR. TAYLOR: The application of Texaco Producing Inc. for salt water disposal, Lea County, New Mexico.

MR. STOGNER: We will now call for appearances in this matter.

MR. URAM: Robert Uram, White, Koch, Kelly, and McCarthy, appearing for Texaco.

I have one witness to be sworn.

MR. STOGNER: Are there any other appearances?

MR. FLOYD SIMS: Mr Floyd Sims, appearing for myself.

MR. R. D. SIMS: R. D. Sims, appearing for myself.

MR. STOGNER: Are there any other appearances?

Will all witnesses please stand and be sworn?

(Witnesses sworn.)

MR. STOGNER: Mr. Uram?

MR. URAM: I'd like to call my first witness, Dennis Wehmeyer.

DENNIS WEHMEYER,

being called as a witness and being duly sworn upon his oath, testified as follows, to-wit:

DIRECT EXAMINATION

BY MR. URAM:

Q Would you please state your name and place of residence?

A My name is Dennis Wehmeyer. I reside in Hobbs, New Mexico.

Q And what is your occupation, Mr. Wehmeyer?

A I'm the District Operations Engineer in the Hobbs District for Texaco.

Q And have you testified previously before the Commission?

A Yes. Yes.

Q And were your work experience and qualifications accepted with your prior testimony?

A Yes.

MR. URAM: I offer Mr. Wehmeyer as a qualified witness.

MR. STOGNER: He is so qualified.

Q Could you explain the purpose of the current application, Mr. Wehmeyer?

A Our application is to convert Skelly Penrose "A" Unit No. 62 to salt water disposal service.

Q And why are you making this proposal, Mr. Wehmeyer? What is the purpose of the disposal?

A To dispose of produced salt water from our infill drilling wells.

Q And have you prepared a -- what is the proposed injection zone, Mr. Wehmeyer, for this well?

A We propose to dispose of water in the San Andres.

Q And have you prepared a map showing the location of the proposed injection well?

A Yes, I have.

Q And I show you what's been marked as Exhibit Number One. Is that the map that you prepared?

A Yes, I have.

Q And would you please prepare -- please explain the lines which have been drawn on that map?

A Okay.

MR. TAYLOR: Excuse me, Mr. Uram. Do you have a set of exhibits you could give to the Sims?

MR. URAM: I do. Certainly.

MR. FLOYD SIMS: Thank you.

A This map indicates the proposed disposal well marked by the arrow. Also we have a half mile radius drawn and a 2-mile radius drawn showing the area of interest with all offsetting leases indicated on the map.

Q And has the -- have you -- has Texaco had a notice of the application published as required by the OCC rules?

A Yes, we have.

Q And calling your attention to what's been marked as Exhibit Two, is that a true and correct copy of the notice which has been published?

A Yes, it is.

Q And, Mr. Wehmeyer, in connectin with this case have you prepared a tabulation of the wells penetrating the proposed injection zone for wells located within one-half mile of the proposed injection well?

A Yes, I have.

Q And I show you what's been marked as Exhibit Number Three. Is that a copy of the document you've prepared?

A Yes, it is.

Q And could you explain to the hearing examienr what that -- what information is presented on Exhibit Number Three?

A This exhibits gives the -- there's two wells that penetrate the proposed injection or disposal zone, the Ellen Sims No. 6 and the Sims "D" No. 2.

Both these wells, the location is given, the date they were drilled, total depth, the casing program and cementing program, the type of wells they were; they were both oil wells that are now -- have been plugged and abandoned. And also the completion record on both of these wells.

Q And from your testimony, both the Ellen Sims No. 6 Well and the Sims "D" No. 2 Well are plugged and abandoned?

A Yes, they are.

Q And have you prepared a schematic of these plugged and abandoned wells?

A Yes, I have.

Q And I show you what's been marked as Exhibit Number Four. Could you tell me what that exhibit is, Mr. Wehmeyer?

A Exhibit Number Four is a plug and abandonment diagram of the Ellen Sims No. 6. It gives the three

casing strings, the 13-3/8ths, the 8-5/8ths, and the 5-1/2 inch casing, plus all the cement plugs that were spotted in the well.

And I show you what's been marked as Exhibit Number Five. Can you tell me what that is, Mr. Wehmeyer?

A Exhibit Number Five is the plugging or completion record of the Sims "D" No. 2. It again gives all the casing programs, surface, intermediate, and production casing, and all the cement plugs when the well was plugged and abandoned.

Q Okay. And I show you what's been marked as Exhibit Number Six, a document which is captioned Application for Authorization to Inject. Can you tell me what that exhibit -- what information is contained in that exhibit?

A This gives all the additional information required by the Commission for authorization to inject.

Q What parts of the -- of Form C-108 does this cover, do you recall?

A This covers Parts 7 through 12 of Form C-108.

Q And would you go through and explain it for the Hearing Examiner, summarize the information on Exhibit Number Six, please?

A Okay. Item Number 7, No. 1 of Number 7, is the average disposal rate, which is estimated at 2500 barrels per day, and our maximum disposal rate of 6000 barrels per day.

Our disposal system will be a closed system.

Q What does that mean, Mr. Wehmeyer, that closed system?

A A closed system is it will not be exposed to the atmosphere.

Q The water will go directly from the produced well to the disposel well without being exposed to the air.

A That's correct.

Q All right.

A Item No. 2 is the -- as I've said, the system is closed.

Item No. 3, our estimated average injection pressure is zero psi. Our extimated maximum injection pressure is 900 psi.

Item No. 4 is -- says "attached is a water analysis", which is page 2 of 11. That is in column number one. This is a water analysis of similar water to be disposed in our proposed disposal well.

And Item No. 5 are pages 3, 4, 5, and 6

of 11, which are produced water analyses of San Andres wells.

These two wells are approximately 4 to 5 miles north of the proposed disposal well, which are the closest San Andres -- San Andres producers.

Q And could you next explain for us the information under Roman Numeral VIII on page 1 of Exhibit Six?

A Yes. Number VIII is our proposed disposal zone is the San Andres, which is comprised of primarily limestones and dolomites. The top of the San Andres lies at 3913 and the bottom is at 5120. This interval is 1207 feet thick.

Also under this Item Number VIII is the fresh water aquifers in this area. There are three of them.

The first one is the Alluvium.

The second is the Chinle and the third is the Santa Rosa, and they lie respectively as zero to 100 feet, 100 to 725 feet, and 725 feet ot 1150 feet.

Q Okay, and if you would continue with point IX on Exhibit Six?

A Yeah. The Number IX, this is the proposed stimulation. The well will be stimulated with 5000 gallons of 15 percent hydrochloric acid, if necessary.

Q Do you expect that stimulation will be necessary?

A Most likely, yes.

Q And Item X?

A Item X is the -- says "attached is copy of the resistivity log", which is page number 7 of 11.

This is the existing log on the well, the resistivity log.

Q Okay, and would you continue with the remainder of Exhibit Six, please?

A All right. Item Number XI, water analysis from two fresh water wells in the area, which are pages 8, 9, 10, and 11. These are two of the fresh water wells surrounding the proposed disposal zone, or disposal well.

And with the indicated analysis.

Q And what does Roman numeral XII indicate, Mr. Wehmeyer?

A Number XII is the available geological and engineering data was reviewed with no evidence of open faults or connections between the disposal zone and underground sources of drinking water to exist.

Q And, Mr. Wehmeyer, have you prepared a -- an injection well data sheet for the proposed injection well?

A Yes, I have.

Q And I show you what's been marked as Exhibit Number Seven. Could you tell me what that exhibit is,

please?

A This exhibit is a schematic of our proposed disposal well, the Skelly Penrose "A" Unit No. 62.

I'll briefly go over it. This well has 13-3/8ths casing set at 192 feet, cemented with 200 sacks. The cement was circulated.

The intermediate casing is 9-5/8ths, which is set at 3925. This case was cemented with 1600 sacks and calculated top of cement is at surface.

The 5-1/2 production casing is set at 6650. Various zones were tested and abandoned in this well, as indicated on the diagram. The 5-1/2 casing was cut off at 3885 and there is a temporary plug in the well at -- well, segregating the current Langlie Mattix production.

What we propose to do on this is to clean out the wellbore to 5140. We will then squeeze the current Langlie Mattix perforations at 3492 to 3653. We will run a packer on plastic coated 2-3/8ths tubing set at approximately 3800 feet, and we will load the annulus with inhibited fresh water.

Q And at -- give then -- are some of those measures you've described measures to protect the well against corrosion?

A Yes. The annulus, like I said, will be filled with inhibited fresh water to protect it from corro-

sion. Also the tubing will be lined with, as is indicated on the form, TK-75, which is an internal plastic coating of the tubing.

Q And do you anticipate corrosion problems with these protective measures in place?

A We do not.

Q And did you prepare a list of any offset operators and surface landowners within one-half mile of this well?

A Yes, I did.

Q And I show you what's been marked as Exhibit Number Eight. Could you tell us what that document says?

A This document is the list of offset operators and surface landowners. Texaco is the only offset operator within one-half mile. We operate everything within the half mile radius.

The surface owner is Mr. R. D. Sims of Eunice, New Mexico.

Q And did you submit a copy of the application to the landowner?

A Yes, I did.

Q All right, and are you aware of any protests to this application, Mr. Wehmeyer?

A Yes, I am.

Q And I show you what's been marked as Exhibit Nine. Could you tell me what that exhibit is, please?

A Exhibit Nine is the protest from Mr. Sims sent to Texaco objecting to the conversion of this well to disposal service.

Q And is this a true and correct copy of the document that Texaco received?

A Yes, it is.

Q And did you take any steps in response to this protest from Mr. Sims, Mr. Wehmeyer?

A Yes, I did.

Q And could you tell us what you -- what actions you took in response to that application -- that protest?

A Well, in his protest he mentioned that there was four fresh water wells in the area that he was concerned with.

We, as in the previous exhibits, we had two of the fresh water wells analyzed. I went ahead and got the other two fresh water wells analyzed, also.

Q And I show you what's been marked as Exhibit Number Ten, consisting of two pages. Can you tell me what that exhibit is, please?

A This exhibit is one of the other, the third fresh water well surrounding the No. 62.

Q And Exhibit Eleven?

A This is the fourth of the fresh water wells surrounding Well No. 62.

Q Were Exhibits One through Eight and Ten and Eleven prepared by you or under your supervision and direction?

A Yes, they were.

MR. URAM: I'd like to move the introduction -- into evidence Exhibits One through Eleven.

MR. STOGNER: Exhibits One through Eleven will be admitted into evidence.

Q You -- Exhibit Six, I think you previously stated a conclusion. I would like to ask you again, based on the exhibits and the -- do you have an opinion on whether there is open faulting or other geologic connections between the disposal zones and the four fresh water wells which you have previously identified in your testimony?

A Yes. My opinion is that there is no connection, will be no connection of the disposal zone to the fresh water wells.

Q Do you have an opinion whether the proposed well completion practices will prevent any migration of the disposal water to these fresh water wells through the wellbore?

A Yes. The wellbore is cemented sufficiently to prevent any migration into the fresh water sands.

Q And do you have an opinion whether the approval of the application is in the best interest of conservation, will protect correlative rights, and prevent waste?

A Yes, it will.

Q And could you please tell the examiner what your opinion is?

A I believe that this -- this well is currently at its economic limit. We will have to either plug and abandon the well or shut it in. It's in our -- Texaco's best interest to convert this well to disposal to prevent waste and protect correlative rights.

Q And also in the best interest of conservation.

A Yes, sir.

MR. URAM: I don't have any further questions of the witness.

MR. STOGNER: Are there any questions of this witness?

MR. FLOYD SIMS: May I ask one?

MR. STOGNER: And you are Mr. Floyd Sims?

MR. FLOYD SIMS: Yes, sir.

MR. STOGNER: What are you -- how are you related to this case today, Mr. Sims?

MR. SIMS: This is my dad. I live with him. My house is 750 feet from the proposed disposal well.

MR. STOGNER: Okay, Mr. Sims.

QUESTIONS BY MR. FLOYD SIMS:

Q Okay. Texaco recently drilled SPA 67. Are you aware of the problems they encountered with the water?

A Yes, I am.

Q And how much waterflood they had?

A Yes, I am.

Q And that the water got away, the water got away from them and covered approximately 20 acres?

A I'm not aware of the exact figures on that.

Q Came within 100 feet of my water well?

A Like I said, I'm not aware of the exact figures there but I know we did have a water flow.

Q Yes, sir, you did.

A Yeah.

Q Are you also aware that Well No. 27, which is approximately 250 feet from 62, that the water, injection water, has come up around the outside of the casing?

A I'm not aware of that.

Q That has happened.

MR. URAM: Mr. Examiner, I know Mr. Sims is not an attorney and it's hard for him to do it, but if -- I'm sure you'll give him a chance to testify separately -- if he could try and just ask the questions and not disagree with the witness' statement, I think that might create a better record and he'll have a chance to discuss that at the -- when he wishes to testify.

MR. SIMS: I agree I'm not an attorney and I'm sure my questions sound pretty plain to you all. I'm just an ordinary citizen with a problem.

MR. TAYLOR: I think we're going to continue but try to ask your questions so he can answer them.

MR. SIMS: I'll just testify when it's my turn.

MR. TAYLOR: Okay. Is that all the questions you have?

MR. SIMS: Yeah, that's fine.

MR. TAYLOR: The other Mr. Sims, do you have any questions?

MR. R. D. SIMS: I've got some but I can wait to do it.

MR. TAYLOR: To just testify?

MR. SIMS: Okay.

CROSS EXAMINATION

BY MR. STOGNER:

Q Refer to your Exhibit Number Seven. That's your schematic.

Okay, surface casing, 13-3/8ths, you show that to be cemented all the way back to the surface, is that right?

A That's correct.

Q And that was observed?

A Yes.

Q When -- when was this well drilled?

A Let's see. I can locate that; I don't have it listed right here.

Q Can you guess or --

A Oh, I've got it right here, Mr. Stogner.

The well was completed on August 10th, 1948.

Q August 10th, 1948.

Okay. Now then, your intermediate casing, 9-5/8ths. You show it to be cemented with 1600 sacks, top of cement at surface.

A Yes.

Q Then you show calculated 70 percent

filled.

Was it observed back to the surface?

A I could not indicate it or find it on the records that it was observed.

So the calculation of 70 percent filled.

Q So it's not on the surface.

A That may be true. I'd like to look at the records closer.

Q What records are you referring to?

A Well, my well records. I did not even find it previously on the well records.

Q Do you have those with you today?

A I've got them in my briefcase, yes.

Q Why don't you dig those out and maybe you'll submit those as exhibits.

A All right.

I do not -- it's not indicated in the records, Mr. Stogner.

Q Okay. Would you submit to me that record where you got the figure for that cement for your intermediate?

A Yes, sir.

Q Okay. The 5-1/2, you show the top of the cement back at 4975.

A Yes, sir.

Q And that was done with a temperature survey, is that right?

A That is correct.

Q And your injection interval would be from 3913 to 5120?

A Yes.

Q So part of your 9-5/8ths is perforated, is that right?

A Yes. We will perforate some additional, if necessary, but first we will attempt to use the current exposed San Andres zone that is exposed behind pipe.

Q And what are those perforations?

A Well, you can notice on the diagram there, the top is at 4975, which is above the bottom of the San Andres; our 9-5/8ths, which is 3925, is below the top of the San Andres and effectively we have an open hole with 5-1/2 casing not cemented in that interval.

So we will attempt to go ahead and so to speak use this as an open hole disposal and if necessary we will perforate the lower few feet of the pay, if necessary.

Q Okay. What's the present status of this well?

A This well is currently producing. Currently the well makes 2 barrels of oil and 23 barrels of

water a day and it's about at its economic limit. 2 barrels a day is really below the economic limit for this unit.

The well will have to be either shut-in or plugged and abandoned.

Q Mr. Sims referred to a water flow. Do you know what depth that proposed water flow is?

A Yes, sir. The water flow he's referring to is from our Skelly Penrose "A" No. 67. This is an infill well. The first water flow in this well was in 1539 feet and this rate flows 250 barrels per hour and we continued to drill the well. We have various rates as we carried the well on down. Our rate, I'd say, from 1539 down to 2600 we had various rates from 150 barrels per hour up to 1000 barrels per hour, instantaneous rates.

Q And that was the Penrose Skelly --

A No. 67.

Q 67. Where is that located?

A I do not have it indicated on the map. I'll have to locate -- get the location and give it to you. I don't have it with me.

Q Okay. When was it drilled?

A It was drilled -- it was last fall.

Q How deep did it go?

A It went down to the Langlie Mattix, to the unitized interval. It was approxiamtely 3700 feet or

3750.

Q Was it within a half mile radius of this well?

A As I recall, this is off the top of my head, I don't think it is. I would have to really get the exact location.

Q Do you know what section it's in?

A It's in Section 3 or 10, yes. Like that, I don't have the location with me.

Q What's the closest disposal well out here?

A As I said, this is the Penrose "A" Unit. It's a waterflood which is waterflooding the Langlie Mattix which lies above our proposed disposal zone. There are no other disposal wells known within four to five miles away; that's the closest one.

Q Do you know what those Langlie Mattix injectors are injecting at, what pressure?

A I could only give you an approximate, and I don't really know the pressures.

Q Do you know when that waterflood was approved?

A It was approximately 1956 when it was approved.

Q On your Exhibit Number One how are those

injection wells marked with a slash through it, how do I distinguish marked -- I mean injection wells or producing wells marked on that?

A Yes, the injectors are marked with a slash, yes, sir.

Q Okay. So there seems to be about -- about six injection wells within a half mile, six or seven, is that right?

A That's approximately correct.

Q Are you using this produced water to re-inject into the Penrose Skelly?

A No, sir, the water is too salty to reinject in the producing formation.

Q Well, what are you using there in the Penrose Skelly?

A The Penrose Skelly uses produced water from the Langlie Mattix and also it uses makeup water which is purchased from the Jal Water System, which is Capitan Reef water.

Q What water will you use in this proposed disposal well?

A That is indicated on -- let's see -- on Exhibit Number Six, page two.

Column number one, as I said before, is the proposed input water from the disposal well.

Columns two, three, and four on this water analysis are our produced water analyses from water that is reinjected.

Q If this disposal well was declined today how would Texaco dispose of this water?

A We would have to truck the water off. As I stated previously, the flow rates can be rather high and can get rather expensive to truck off, the water flows from the proposed infill wells.

Q Where would it be trucked off to?

A To -- it would be some -- it would be disposal wells in the general area from Eunice. That is really determined by the trucking company.

It is not disposed of on our leases.

Q Do you know how long there has been infill drilling out there?

A Just from last fall, the No. 67 is the only well that we have infill drilled on the unit so far.

Q And what kind of water output does that well have?

A Apparently initial production was 109 barrels of oil per day and the water was minimal; I'll say less than 200 barrels a day of water. In fact I think it was really less than 100 barrels a day water.

Q This disposal will be infill water, is

that right?

A Well, that is correct. We're not going to dispose of produced water from infill wells. If the water flows, if encountered when drilling infill wells, such as the 250-barrel a day wate flow from the salt sections that were encountered, that's the purpose of this disposal well.

Produced water will be reinjected into the formation.

Q Where will the bulk of the infill drilling take place?

A The bulk of the infill drilling will be Section -- primarily in Section 3, 10, and parts of 9.

Q Are you familiar with the Commission policy of .2 psi per foot of depth?

A Yes.

Q Does this exceed that maximum injection if you use the upper perforations 3913?

A It would slightly exceed it, yes, sir. The maximum injection pressure would then be 780, approximately.

Q Okay.

A We would go ahead and run a step rate test on the well prior to going in with higher injection presssures to 780.

Q On Exhibit Number Three you show the Ellen Sims No. 6 and the Sims "B" Well No. 2. These are two wells that penetrate the proposed injection zone.

A Yes, sir.

Q And the 5-1/2, that was on the Ellen Sims No. 6?

A Yes.

Q You show to be set at 6390 with 300 sacks of cement, calculated top 4795, and is that within -- that means you would have cement -- oil interval not cemented in the proposed injection zone, is that right?

A I'm not sure if I understand your question.

Q The top of cement is shown at 4785, right?

A Yes, sir.

Q Okay, and what's the top of the cement in the 5-1/2 string on your Sims "D" Well No. 2?

A It's at 4975.

Q Where do you get that from?

A Oh, excuse me, I had the wrong well.

MR. STOGNER: Are there any other questions of this witness?

If not, he may be excused.

Do you have a statement you

wish to make?

MR. FLOYD SIMS: I have a statement to the Commission.

Like I said, my house is located -- my water well is located some 1,080 feet from (not understood clearly.).

We currently at my house haul water because when they drilled Well 67 (not clearly understood.)

I'm no oilman but I know about this waterflow every day living out there. They had a problem with the waterflow, they couldn't contain it, at one time it was within 100 feet of my water well on the surface.

Okay, and then on Well No. 27, that's 300 feet from Well No. 62, from the proposed disposal well, I know for a fact because I have seen that the injection water has come up on the outside of the casing; in fact, it nearly sunk the pooling unit.

This is their No. 27 Well.

Okay, you're talking about the Sims No. 2, when it was plugged. It's 1000 feet to the northeast of No. 62. They came out there and cut the surface pipe off to plug it and within an hour it was an artesian well. I mean they cut the surface pipe clear off and water was coming out of there. I don't know what the calcu-

lated flow was but I know it started flowing on its own and filled up the roads and everything else that came from my house, just overnight.

All right, on the No. 38, which is 750 feet from the house, is approximately 1500 feet from No. 62, is flowing right now into an open pit and has been for over three months.

So all I'm saying is that they have a tremendous problem with the water out there. They can't control what they have out there now and much less to put some more water in a hole, in a well, under pressure.

And you know, once a fresh water well, once it's messed up, it's messed up for good. You can't go back and say I"m sorry, you know, we messed up your water well. We'll fix it. That's impossible.

We have plugged one windmill that turns out water already.

So all I'm saying is I'm asking you to take a close look at it. I'm no expert but I know there's a tremendous problem out there.

That's all I have to say.

MR. STOGNER: You mentioned you had plugged one water well. Could you be more specific where?

MR. SIMS: It's in -- on your

map, this map you have right here --

MR. STOGNER: Yes, sir.

MR. SIMS: It's where the arrow is. It will be in Section 2. It's in Section 2. The arrow is in Section 3. Uh-huh, the water well is in -- I think it's in the southwest quarter of Section 2.

MR. STOGNER: Okay.

MR. URAM: It's not within a half mile.

MR. R. D. SIMS: It's in the southwest one-fourth of the northwest one-fourth of Section 2.

MR. STOGNER: Thank you, sir. Thank you, Mr. Floyd Sims.

MR. R. D. SIMS: Yes, sir. I've got some numbers of the wells out there that has flowed salt water all over the place, and this one well by this windmill was drilled by Armour (sic). It's Armour Well No. 1 (sic) and it's in the southwest one-fourth of the northwest one-fourth of Section 2, and they had to build a 5-1/2 acre pit to contain that and them hauling water all the time when it filled it; started flowing after they started pumping the well. It just broke in, and at the same time it went into my water well about 200 feet from this well at the same time and killed some of my cows and ruined my water

well.

And then -- then there's another one just a location west, is the Ellen Sims "A" in Section 4 -- the northeast, let's see, of Section -- Ellen Sims "A", south one-fourth of the east one-fourth of Section 3, Township 23 South, Range 37 East.

It blowed out when they was drilling and they couldn't contain it and it just went all over the place. They hauled trucks in there and just hauled for day and night, just like they did on this before they built the big pit. And they finally dug some more pits and got it where they could contain it and get it cemented.

And then this Texaco, Incorporated, Skelly Penrose "A" Unit, northwest one-fourth of the southeast one-fourth, now this is a well that they've drilled recently in Section 3, Range 37 East. It's the one that he was talking about drilling, going all over our country out there, the new well, and it's less a quarter of a mile from this well they're wanting to make a disposal well out of.

And then they've got Penrose, or Skelly, some other one, northeast one-fourth of the southeast one-fourth of Section 4. It started flowing after they pumped it several years and it come up around the casing and they had to go run a winch line to their pumping

unit to tie it to keep it from going down. And that was before they had any people three at Hobbs to check these wells and I doubt if it was ever turned in that there was ever anything happened to it, because I have never seen any records of where they ever showed anything.

They tied -- had to put a winch truck to it to hold their pumping unit from going into it when it was coming up around it, and now it covers approximately five or six acres, where the water was, but it was down in kind of a lake to start with and it call accumulated in that lake bed.

And that water well, one of these water wells that they was talking about in Section 4 or 3 on the northeast of the southeast of Section 4, I believe it's 4, southeast of Section 4, that well for a long time at the way the well would pump out, would be solid salt.

And another well that they're supposed to have tested that goes into his house, they can't get to that well, can't get to it because we can't use it to drink or anything and all he uses it for is to wash. We have piped water there to even water the yard with and it's piped from over here, it's piped froma mile away and they can't get -- couldn't have gotten water to have tested it no way because he's got three Doberman Pinchers and I'll guar-

antee they couldn't get in the yard to test that water on the house.

And there's also another well, the one that he told about they're running a pit on the location north of it. It's an injection well and it's been leaking out in the pit the same way, the same as that flowing well, in an open pit, and it's been running at least three months.

And we've got a disposal well on us, it's about two miles from this well and it's -- I don't know what-all it's damaged. It's damaged a lot but it won't -- it will give you a feeling that you don't want another disposal well.

MR. URAM: I'm going to object to any -- I've let them, becaue they're not lawyers and they're not represented by counsel, I've let them testify as to the full range of their problems so they'll feel like they've had a full opportunity to make the Commission aware of it, but I think any further testimony would both be repetitive and really not relevant to the issue before the Commission.

The issue before the Commission is whether this particular disposal well is in accordance with the applicable rules; will have any geologic effect on the wells in the area, and the expert testimony has been

that it would be.

I think the fact that there have been, you know, just assume for the purposes of argument that all the facts that they have testified to are correct, I don't think it has any real relevance to the -- to the application. In fact it may support the application because this is a disposal method which will not involve pits and perhaps then would be a safe and proper way of disposing of the fluids.

So I would object to any further testimony unless it's directed to the standards the Commission has to consider. Thank you.

MR. R. D. SIMS: These wells come up and there's nobody knows where it comes from, Texaco, nor nobody else, and they'll tell you theirself they don't know where this water is coming from.

And I object to a disposal well on that account, because if they knew where it's coming from, somebody would have done fixed it before now.

MR. STOGNER: Thank you, Mr. Sims.

MR. FLOYD SIMS: You know, when we came up here there's a couple of people, well, a couple (not understood) told me, well, you're wasting your time in going up there, an individual going.

I certainly hope that's not the case. I hope that our state government hasn't got to the point an individual don't have the rights to come here and testify.

I appreciate it.

MR. STOGNER: Thank you, Mr. Sims.

Mr. Uram, I'm going ot overrule your objection and let the record reflect the Mr. Sims' testimony.

Is there anything further in Case Number 8677?

It will be taken under advisement.

(Hearing concluded.)

C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that the foregoing Transcript of Hearing before the Oil Conservation Division (Commission) was reported by me; that the said transcript is a full, true, and correct record of the hearing, prepared by me to the best of my ability.

Sally W. Boyd CSR

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 8677, heard by me on 14 August 1985.

Michael E. Stogner, Examiner
Oil Conservation Division