

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION  
STATE LAND OFFICE BLDG.  
SANTA FE, NEW MEXICO

5 September 1984

EXAMINER HEARING

IN THE MATTER OF:

Application of Yates Petroleum	CASE
Corporation for salt water disposal,	8249
Eddy County, New Mexico.	

BEFORE: Gilbert P. Quintana, Examiner

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation  
Division:

Charles E. Roybal  
Attorney at Law  
Energy and Minerals Dept.  
525 Camino de Los Marquez  
Santa Fe, New Mexico 87501

For the Applicant:

Chad Dickerson  
Attorney at Law  
LOSEE, CARSON, DICKERSON, P. A.  
P. O. Drawer 239  
Artesia, New Mexico 88210



MR. QUINTANA: We'll call next  
Case 8249.

MR. ROYBAL: Case 8249, application of Yates Petroleum Corporation for salt water disposal, Eddy County, New Mexico.

MR. QUINTANA: Are there any appearances in this case?

MR. DICKERSON: That, Mr. Examiner, was just readvertised.

The well location was--footage was in error so it was readvertised to correct the footage.

MR. QUINTANA: Case 8249 was readvertised to correct an error and it'll 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 Con-  
servaion Division was reported by me; that the said tran-  
script 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's hearing of Case No. 8249.  
heard by me on SEPT. 5, 1984.  
Gilbert P. Quintana Examiner  
Oil Conservation Division



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OIL CONSERVATION DIVISION  
STATE LAND OFFICE BLDG.  
SANTA FE, NEW MEXICO

11 July 1984

EXAMINER HEARING

IN THE MATTER OF

Application of Yates Petroleum Cor-  
poration for salt water disposal,  
Eddy County, New Mexico.

CASE  
8249

BEFORE: Richard L. Stamets, Examiner

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation  
Division:

For the Applicant:

Chad Dickerson  
Attorney at Law  
LOSEE, CARSON & DICKERSON  
P. O. Drawer 239  
Artesia, New Mexico 88210



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E X H I B I T S

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Yates Exhibit Two, Affidavit of Mailing 7



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3 MR. STAMETS: We'll call next  
4 Case 8249, being the application of Yates Petroleum Corpora-  
5 tion for salt water disposal, Eddy County, New Mexico.

6 MR. DICKERSON: Mr. Examiner,  
7 I'm Chad Dickerson of Artesia, New Mexico, appearing on be-  
8 half of the applicant, and we have one witness.

9 MR. STAMETS: Any other appear-  
10 ances in this case?

11 (Witness sworn.)

12 EDDIE MAHFOOD,  
13 being called as a witness and being duly sworn upon his  
14 oath, testified as follows, to-wit:

15  
16 DIRECT EXAMINATION

17 BY MR. DICKERSON:

18 Q Mr. Mahfood, will you state your name,  
19 your occupation, and where you reside, please?

20 A My name is Eddie Mahfood, Senior Engineer  
21 for Yates Petroleum in Artesia.

22 A Mr. Mahfood, you have previously testi-  
23 fied before this Division as a petroleum engineer and had  
24 your credentials made a matter of record, haven't you?

25 A That is correct.

MR. DICKERSON: Is this witness



1  
2 qualified, Mr. Examiner?

3 MR. STAMETS: He is considered  
4 qualified.

5 Q Mr. Mahfood, will you briefly summarize  
6 the purpose of Yates' application in Case 8249?

7 A We're in need of a salt water disposal  
8 well in that area and so we're proposing to convert a gas  
9 well that is now depleted for use as a disposal well.

10 Q Will you refer to the plat which is at-  
11 tached to the Form C-108 filed in this case and direct the  
12 Examiner's attention to your disposal well and other matters  
13 of interest shown by that plat?

14 A There is a half mile circle in the middle  
15 of this map in Section 21 of 18, 26, and the proposed dis-  
16 posal well is in the center circle.

17 Q Directing your attention to the other gas  
18 well shown on that plat in the southeast quarter of Section  
19 21, what's the status of that well?

20 A It is the present salt water disposal  
21 well in the area.

22 Q And that was the well authorized by Order  
23 Number R-5322 of this Division previously.

24 A That is correct.

25 Q That is also the only other well within  
the area of review which penetrates the proposed injection  
zone in your disposal well for which you seek application  
now, isn't it?



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A That is correct.

Q All the log data and the information required by the Form C-108 with respect to the previous well approval is already on file with this Division and has not been resubmitted with this application, is that correct?

A Yes.

Q Mr. Mahfood, would you briefly summarize the mechanical aspects of your proposed injection program?

A We propose to plastic coated tubing and set above all the perforations in the Morrow zone. The -- at the present time we have a bridge plug over the two bottom sets of perfs but we'll drill that out.

Q What is the proposed injection interval?

A The injection interval is 8901 to 9062.

Q Okay, what is the status of the casing and cement program in the existing wellbore?

A At the present time the casing is cemented to 7100 feet. Just for our own protection we propose to bring the cement to the surface, but that was not required for this hearing.

Q You haven't shown that in your application but you do propose to squeeze and --

A Circulate that.

Q -- cause the cement to be totally outside all casing in the wellbore.

A That is correct.

Q What are the other prospective productive



1 zones above and below the Morrow formation in this area, Mr.  
2 Mahfood?

3 A In this well I don't believe there is any  
4 until you get to the San Andres.

5 Q So the San Andres and Yeso prospective  
6 zones far above the hole are the only other areas prospec-  
7 tively productive in this wellbore?

8 A That is correct.

9 Q What is the proposed average and maximum  
10 injection rate that Yates requests approval for?

11 A 1500 to 2000 barrels a day at pressures  
12 of 1600 to 2200, if necessary.

13 Q And what mechanism will you have to moni-  
14 tor the pressure?

15 A We'll have pressure gauges, pressure  
16 gauge on the surface.

17 Q Is the -- what is the source of the water  
18 to be disposed?

19 A It's produced water mostly from the Yeso  
20 and San Andres wells in the area.

21 Q In this area, Mr. Mahfood, what are the  
22 sources of underground fresh water?

23 A There is fresh water in the San Andres  
24 Artesia zone and some perched -- there's perched water in  
25 the Seven Rivers, I believe.

Q Now water analyses of the fresh water  
sources have previously been submitted in Case Number 5800,



1  
2 is that correct?

3 A That's correct.

4 Q Is there any stimulation program planned  
5 for this well?

6 A None is required at this time for this  
7 well.

8 Q Mr. Mahfood, have you examined all avail-  
9 able geologic and engineering data and have you found any  
10 evidence of open faults or any other hydrologic connection  
11 between the disposal zone and any sources of fresh drinking  
12 water?

13 A I have examined available data and found  
14 no evidence of open faults or any other hydrological connec-  
15 tion between the disposal zone and fresh water zones.

16 Q Mr. Mahfood, will you turn to what we  
17 have marked Exhibit Number Two and tell the Examiner what  
18 that is?

19 A Exhibit Number Two is an Affidavit of  
20 Mailing to other operators within the half mile radius of  
21 this well.

22 Q And Yates Petroleum Corporation is the  
23 surface owner within that area, is that correct?

24 A Yes.

25 Q Do you have anything further you'd like  
to add with regard to this application, Mr. Mahfood?

A No, I don't believe I have anything. We  
do need another injection well for additional drilling in



1  
2 the area.

3 Q In your opinion will the granting of this  
4 application be in the interest of conservation, the preven-  
5 tion of waste, and the protection of correlative rights?

6 A Yes, I'm positive of that.

7 MR. DICKERSON: Yates moves ad-  
8 mission of its Exhibits One and Two, Mr. Examiner, and that  
9 concludes our case.

10 MR. STAMETS: The exhibits will  
11 be admitted.

12 CROSS EXAMINATION

13 BY MR. STAMETS:

14 Q Mr. Mahfood, what is the injection inter-  
15 val again?

16 A The injected interval will be 8901 to  
17 9062.

18 MR. STAMETS: Are there any  
19 other questions of the witness? He may be excused.

20 Anything further in this case?

21 The case will be taken under  
22 advisement.

23 (Hearing concluded.)  
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25



## C E R T I F I C A T E

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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. 8248  
heard by me on 7-11 19 84.  
[Signature], Examiner  
Oil Conservation Division