

Case Number

4707

Application

Transcripts

Small Exhibits

ETC.

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
CONFERENCE ROOM, STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO
May 5, 1972

EXAMINER HEARING

IN THE MATTER OF:

Application of Blackrock Oil
Company for a dual completion, salt
water disposal, and unorthodox
location, Chaves County, New
Mexico.

CASE NO. 4707

BEFORE: Elvis A. Utz
Examiner

TRANSCRIPT OF HEARING

1 MR. UTZ: Case No. 4707.

2 MR. HATCH: Application of Blackrock Oil Company
3 for a dual completion, salt water disposal, and unorthodox
4 location, Chaves County, New Mexico.

5 MR. BUTLER: Doyle Butler, President of the
6 Blackrock Oil Company.

7 MR. HATCH: You have your Exhibits already marked?

8 MR. BUTLER: Yes, I have three sets.

9 MR. HATCH: You are representing yourself?

10 MR. BUTLER: Yes.

11 DOYLE BUTLER,
12 appeared as a witness on his own behalf, after being duly
13 sworn, testified as follows:

14 THE WITNESS: Blackrock Oil Company requests
15 approval to dually complete the Bates McIntyre Federal Well
16 Number 1 in such a manner as to produce gas from the Haystack
17 Cisco Gas Pool through tubing and dispose of salt water down
18 casing-tubing in Section 9, Township 6 South, Range 27 East,
19 Chaves County, New Mexico.

20 Exhibit 1 is a plat of the area. Exhibit 2 to
21 our Application for a multiple completion shows the disposal
22 zone being 1,200 to 1,420, and the Haystack Cisco Gas producing
23 zone at 5,764.

24 Exhibit 3 is a diagrammatic sketch of how we
25 propose to complete the zone, both producing gas from the

1 operating approximately three miles away. However, the
2 system is at capacity and cannot handle extra volume.

3 The next Exhibit is our location and acreage
4 dedication for this well in the North Half of Section 9 and
5 it is an unorthodox location.

6 If you have any questions, I will let Mr. McIntyre
7 answer them.

8 MR. UTZ: What Exhibit is that?

9 THE WITNESS: Exhibit Number 7 where we have
10 dedicated the North Half of Section 9. This is an
11 unorthodox location and I will let Mr. McIntyre explain why
12 we drilled it there.

13 MR. UTZ: How are you going to treat the salt water?

14 THE WITNESS: We have found that a closed system
15 has not been necessary.

16 MR. UTZ: What kind of gas well do you have?

17 THE WITNESS: We had excellent productivity in
18 December. It is making a lot of water and it will deliver
19 better than half a million per day with 400 pounds of surface
20 pressure and with 300 to 400 barrels of water. If the water
21 starts depleting with bottom hole pressure, we may go up.

22 The Haystack Wells are doing two million a day.

23 MR. UTZ: Are there any further questions of this
24 witness?

25 (No response.)

1 MR. UTZ: You may be excused.

2 (Witness excused.)

3 NORMAN MCINTYRE,

4 was called as a witness and, after being duly sworn, testified
5 as follows:

6 MR. HATCH: Will you identify yourself?

7 THE WITNESS: Norman McIntyre, Consulting Geologist
8 from Midland, Texas.

9 This map (indicating) was prepared by me. If you
10 will refer to Section 15, in the southwest of the northwest,
11 this well was a Devonian oil discovery and this map was made
12 about ten days after this well was completed.

13 It is still producing oil and, of course, geologists
14 are subject to mistakes, and we located it in the Devonian
15 and we found out that the fault that I have drawn on the map
16 shifts a little bit to the east and we are across it.

17 MR. UTZ: That is your reason for requesting a
18 non-standard location?

19 THE WITNESS: That is correct, sir. We did not
20 encounter gas in the Cisco, we didn't actually anticipate we
21 would.

22 The well in the northeast of the southwest of
23 Section 16 did not have porosity in the Cisco, and that was
24 purely a Devonian prospect at the time I made this map.

25 We ran pipe all the way through the Devonian and

1 production tested the Shugart-Devonian and we had nothing
2 there so we came back and completed it out of that zone.
3 I know this is non-standard, however there have been two
4 other wells drilled in this field, namely, the Shenandoah
5 in the NW of the SW of Section 22, and this was a non-standard
6 unit for gas.

7 MR. UTZ: Does that complete your testimony?

8 THE WITNESS: Yes, sir.

9 MR. UTZ: The witness may be excused.

10 (Witness excused.)

11 MR. UTZ: Any statements in this Case?

12 (No response.)

13 (Whereupon, Applicant's Exhibits Number 1 through
14 7 inclusive were admitted into evidence.)

15 MR. UTZ: The Case will be taken under advisement.
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dearnley-meier reporting service, inc.

SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIONS
209 SIMMS BLDG., P.O. BOX 1092, PHONE 243-6691, ALBUQUERQUE, NEW MEXICO 87103
FIRST NATIONAL BANK BLDG., EAST ALBUQUERQUE, NEW MEXICO 87106

1 STATE OF NEW MEXICO)
2) ss
3 COUNTY OF BERNALILLO)

4 I, RICHARD E. MCCORMICK, a Certified Shorthand Reporter,
5 in and for the County of Bernalillo, State of New Mexico,
6 do hereby certify that the foregoing and attached Transcript
7 of Hearing before the New Mexico Oil Conservation Commission
8 was reported by me; and that the same is a true and correct
9 record of the said proceedings to the best of my knowledge,
10 skill and ability.

11 Richard E. McCormick
12 CERTIFIED SHORTHAND REPORTER
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I do hereby certify that the foregoing is
a true and correct record of the proceedings
the Executive Hearing of Case No. 4707,
heard by me on May 27, 1972

New Mexico Oil Conservation Commission

I N D E X

WITNESS:

PAGE

DOYLE BUTLER

3

NORMAN MCINTYRE

6

E X H I B I T S

APPLICANT'S (Blackrock Oil)

OFFERED

ADMITTED

Exhibit Number 1

3

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Exhibit Number 2

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Exhibit Number 3

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Exhibit Number 4

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Exhibit Number 5

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Exhibit Number 6

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7

Exhibit Number 7

5

7



OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO
P. O. BOX 2088 - SANTA FE
87501

May 31, 1972

GOVERNOR
BRUCE KING
CHAIRMAN
LAND COMMISSIONER
ALEX J. ARMIJO
MEMBER
STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

Mr. O. Doble Butler
Blackrock Oil Company
1000 V & J Tower
Midland, Texas 79701

Re: Case No. 4707
Order No. R-4316
Applicant:
Blackrock Oil Company

Dear Sir:

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

Very truly yours,

A handwritten signature in cursive script, appearing to read "A. L. Porter, Jr.", is written over the typed name.

A. L. PORTER, Jr.
Secretary-Director

ALP/ir

Copy of order also sent to:

Hobbs OCC x

Artesia OCC x

Aztec OCC

Other Bureau of Land Management

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 4707
Order No. R-4316

APPLICATION OF BLACKROCK OIL
COMPANY FOR A DUAL COMPLETION,
SALT WATER DISPOSAL, AND UNORTHO-
DOX LOCATION.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on May 5, 1972, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 31st day of May, 1972, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Blackrock Oil Company, seeks authority to complete its Bates McIntyre Federal Well No. 1 at an unorthodox location, 1980 feet from the North line and 660 feet from the East line of Section 9, Township 6 South, Range 27 East, NMPM, Chaves County, New Mexico, as a dual completion to produce gas from the Haystack-Cisco Gas Pool through 2 3/8-inch tubing and to dispose of produced salt water down the annulus between the 5 1/2-inch production casing string and the 8 5/8-inch intermediate casing string into the San Andres and other formations in the open-hole interval from approximately 1186 feet to 4389 feet.

(3) That the subject well was drilled at a standard location to test the Haystack Siluro-Devonian Pool but was productive of gas in the Haystack-Cisco Gas Pool.

(4) That the produced salt water should be continuously treated prior to injection to prevent casing corrosion and coupon corrosion tests should be conducted continuously on said well and the results thereof filed quarterly with the Commission until further notice from the Secretary-Director of the Commission.

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CASE NO. 4707
Order No. R-4316

(5) That approval of the dual completion, salt water disposal, and unorthodox location as requested will prevent the drilling of unnecessary wells, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Blackrock Oil Company, is hereby authorized to complete its Bates McIntyre Federal Well No. 1 at an unorthodox location 1980 feet from the North line and 660 feet from the East line of Section 9, Township 6 South, Range 27 East, NMPM, Chaves County, New Mexico, as a dual completion to produce gas from the Haystack-Cisco Gas Pool through 2 3/8-inch tubing and to dispose of produced salt water down the annulus between 5 1/2-inch production casing string and the 8 5/8-inch intermediate casing string into the San Andres and other formations in the open-hole interval from approximately 1186 feet to 4389 feet;

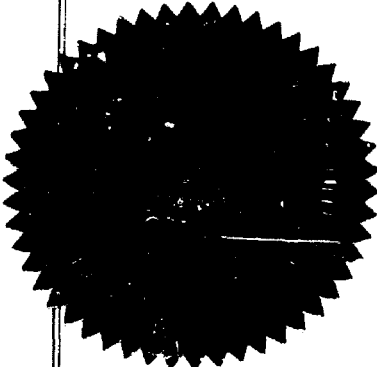
PROVIDED HOWEVER, that the produced salt water shall be continuously treated prior to injection to prevent casing corrosion; that coupon corrosion tests shall be conducted continuously on said well and the results thereof filed quarterly with the Commission until further notice from the Secretary-Director of the Commission;

PROVIDED FURTHER, that the applicant shall submit monthly reports of his disposal operations in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.

(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


Bruce King
BRUCE KING, Chairman

Alex J. Armiijo
ALEX J. ARMIJO, Member

A. L. Porter, Jr.
A. L. PORTER, Jr., Member & Secretary

S E A L

dr/

4707

Leads 5-5-72

Rec. 5-8-72

Grant Blackrock permission
to Drally complete a well to be
known as the Bates McIntyre Jed
#1, H. 9-65-27E, - ~~Wagland~~
see follows.

The Cisco shall be produced
thru 2 7/8 tubing set on a packer
C 5682. SW produced from this
fm. shall be injected into the
V.S. A. fm. thru the annulus.

Inj'd water shall be checked for
corrosive properties periodically
w/ coupons.

Thos D. W.

- CASE 4700: Application of Penasco Corporation for a waterflood project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in the Penasco Shugart Queen Sand Unit Area, Shugart Pool, by the injection of water into the Queen formation through four wells located in Sections 8, 9, 16, and 17, Township 18 South, Range 31 East, Eddy County, New Mexico. Applicant further seeks a procedure whereby additional injection wells within the unit area may be approved administratively.
- CASE 4701: Application of Wynn Oil Company for an unorthodox location and a dual completion, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval of the dual completion of its Largo Federal Well No. 2 to produce gas from the Blanco-Mesaverde and Basin-Dakota Pools at an unorthodox location for the Blanco-Mesaverde Pool 1500 feet from the South line and 1100 feet from the East line of Section 13, Township 27 North, Range 8 West, San Juan County, New Mexico.
- CASE 4702: Application of Penroc Oil Corporation for a special gas-oil ratio limitation, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an amendment of the special rules and regulations for the Hobbs-Drinkard Pool, Lea County, New Mexico, to provide for a limiting gas-oil ratio of 10,000 cubic feet of gas per barrel of oil for said pool.
- CASE 4703: Application of Continental Oil Company for special pool rules, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special pool rules for the West Lindrith Gallup-Dakota Oil Pool, Rio Arriba County, New Mexico, including provisions defining a gas well in the pool as one producing with a gas-liquid ratio of 30,000 cubic feet of gas per barrel of oil or one which produces oil with a gravity of 60° API or greater, a gas-oil ratio limitation for oil wells of 10,000 cubic feet of gas per barrel of oil, and 160-acre spacing units for both oil and gas wells.
- CASE 4709: Application of Continental Oil Company for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle production from the Eumont Gas Pool and the Penrose Skelly Oil Pool in the wellbore of its Lockhart A-17 Well No. 1 located in Unit L of Section 17, Township 21 South, Range 37 East, Lea County, New Mexico.
- CASE 4710: Application of Hanson Oil Corporation for an exception to Order No. R-3221, as amended, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Order No. R-3221, as amended, to dispose into unlined surface pits water produced by 22 wells located

DOCKET: EXAMINER HEARING - FRIDAY - MAY 5, 1972

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM
STATE LAND OFFICE BUILDING - SANTA FE, NEW MEXICO

The following cases will be heard before Elvis A. Utz, Examiner, or Richard L. Stamets, Alternate Examiner:

CASE 4689: (Continued from the April 5, 1972, Examiner Hearing)

Application of Petroleum Corporation of Texas for an exception to Order No. R-3221, as amended, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Order No. R-3221, as amended, to dispose into unlined surface pits water produced by its Dexter Federal Well No. 15 located in Unit J of Section 15, and all of its wells located or to be located in the NW/4 of Section 20, Township 17 South, Range 30 East, Grayburg-Jackson Pool, Eddy County, New Mexico.

CASE 4697: Application of Texaco Inc. for a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (tubingless) of its V. M. Henderson Well No. 9 located in Unit G of Section 30, Township 21 South, Range 37 East, Lea County, New Mexico, in such a manner as to permit the production of oil from the Paddock and Tubb Pools through parallel strings of casing, cemented in a common well-bore.

CASE 4698: Application of David Fasken for a dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of his Arco "9" Morrison Well No. 1 located in Unit B of Section 9, Township 19 South, Range 25 East, Eddy County, New Mexico, in such a manner as to produce gas from an undesignated Cisco gas pool through tubing and gas from the Boyd-Morrow Gas Pool through the casing-tubing annulus.

CASE 4711: Application of Shell Oil Company for commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle North Vacuum Abo production from its State VB Com Well No. 1 located in Unit B of Section 19, Township 17 South, Range 35 East, Lea County, New Mexico, and from its State K Lease comprising the SE/4 of said Section 19 after separately metering the State VB Com production and determining the State K production by means of the subtraction method.

CASE 4699: Application of Penasco Corporation for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Penasco Shugart Queen Sand Unit Area comprising 520 acres, more or less, of Federal and State lands in Sections 8, 9, 16, and 17, Township 18 South, Range 31 East, Shugart Pool, Eddy County, New Mexico.

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Docket No. 10-72

Examiner Hearing - Friday, May 5, 1972

(Case 4710 continued)

or to be located in Sections 24, 25, 26, 34, and 35, Township 18 South, Range 30 East, Shugart Pool, Eddy County, New Mexico.

CASE 4704: Application of Atlantic Richfield Company for rededication of acreage, Lea County, New Mexico. Applicant, in the above-styled cause, seeks amendment of Order No. R-1932 to permit the 240-acre non-standard gas proration unit comprising the NE/4 NE/4 of Section 33 and the NW/4 and NW/4 NE/4 of Section 34, Township 19 South, Range 37 East, Eumont Gas Pool, Lea County, New Mexico, established by said order to be dedicated simultaneously to its J. H. Williams "Com" Well No. 3 and its J. H. Williams Well No. 5 located, respectively, in Units E and F of said Section 34.

CASE 4705: Application of Atlantic Richfield Company for waterflood projects, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks to institute three waterflood projects on its leases in Sections 19 and 30, Township 17 South, Range 31 East, Grayburg-Jackson Pool, Eddy County, New Mexico, by the injection of water into the Grayburg formation through five wells located in said Sections 19 and 30.

CASE 4706: Application of Kennedy Oil Company for a waterflood project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in the Grayburg-Jackson Pool by the injection of water into the Grayburg formation through its State "B" Well No. 1 located in the NW/4 SW/4 of Section 19, Township 17 South, Range 31 East, Eddy County, New Mexico.

CASE 4708: Application of Jake L. Hamon for salt water disposal, Lea County, New Mexico. Applicant- in the above-styled cause, seeks authority to dispose of produced salt water into the Pennsylvanian and Devonian formations in perforated and open-hole interval from 10,492 feet to 13,100 feet in his State B-2330 Well No. 1 located in Unit C of Section 31, Township 16 South, Range 36 East, East Shoebar-Devonian Field, Lea County, New Mexico.

CASE 4707: Application of Blackrock Oil Company for a dual completion, salt water disposal, and unorthodox location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks authority to dually complete its Bates McIntyre Federal Well No. 1 at an unorthodox location 1980 feet from the North line and 660 feet from the East line of Section 9, Township 6 South, Range 27 East, Chaves County, New Mexico, in such a manner as to produce gas from the Haystack Cisco Gas Pool through tubing and to dispose of salt water down the casing-tubing annulus into the San Andres and other formations in the open-hole interval from 1186 feet to 4389 feet, the N/2 of said Section 9 would be dedicated to the well.

*Drilled at a std. location for
Haystack - ~~San Andres~~ - Devonian*

[illegible]

BLACKROCK OIL COMPANY

Bates McIntyre Federal No. 1
Unit H, Section 9, T-6-S, R-27-E
Chaves County, New Mexico

NON-STANDARD GAS PRORATION UNIT

NEW MEXICO OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
APPLICATION FOR MULTIPLE COMPLETION

Form C-107
5-1-61

Operator BLACKROCK OIL COMPANY		County Chaves	Date March 20, 1972
Address 1000 V & J Tower, Midland, Texas 79701		Lease Bates McIntyre Federal	Well No. 1
Location of Well H	Unit 9	Section 6-S	Range 27-E

1. Has the New Mexico Oil Conservation Commission heretofore authorized the multiple completion of a well in these same pools or in the same zones within one mile of the subject well? YES _____ NO X
2. If answer is yes, identify one such instance: Order No. _____ ; Operator Lease, and Well No.: _____

3. The following facts are submitted:	Upper Zone	Intermediate Zone	Lower Zone
a. Name of Pool and Formation	Haystack San Andres		Haystack Cisco
b. Top and Bottom of Pay Section (Perforations)	1200' - 1420' Open Hole		5784' Only Perforations
c. Type of production (Oil or Gas)	Water Injection		Gas
d. Method of Production (Flowing or Artificial Lift)	Injection pump		Flowing

4. The following are attached. (Please check YES or NO)

- | Yes | No | |
|-------------------------------------|-------------------------------------|--|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | a. Diagrammatic Sketch of the Multiple Completion, showing 11 casing strings, including diameters and setting depths, centralizers and/or turbolizers and location thereof, quantities used and top of cement, perforated intervals, tubing strings, including diameters and setting depth, location and type of packers and side door chokes, and such other information as may be pertinent. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | b. Plat showing the location of all wells on applicant's lease, all offset wells on offset leases, and the names and addresses of operators of all leases offsetting applicant's lease. |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | c. Waivers consenting to such multiple completion from each offset operator, or in lieu thereof, evidence that said offset operators have been furnished copies of the application.* |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | d. Electrical log of the well or other acceptable log with tops and bottoms of producing zones and intervals of perforation indicated thereon. (If such log is not available at the time application is filed it shall be submitted as provided by Rule 112-A.) |

5. List all offset operators to the lease on which this well is located together with their correct mailing address.

Shenandoah Oil Corporation, 703 V & J Tower, Midland, Tx 79701

Jack McClellan, P. O. Box 848, Roswell, New Mexico 88201

6. Were all operators listed in Item 5 above notified and furnished a copy of this application? YES X NO _____. If answer is yes, give date of such notification March 20, 1972.

CERTIFICATE: I, the undersigned, state that I am the President of the BLACKROCK OIL COMPANY (company), and that I am authorized by said company to make this report; and that this report was prepared under my supervision and direction and that the facts stated therein are true, correct and complete to the best of my knowledge.

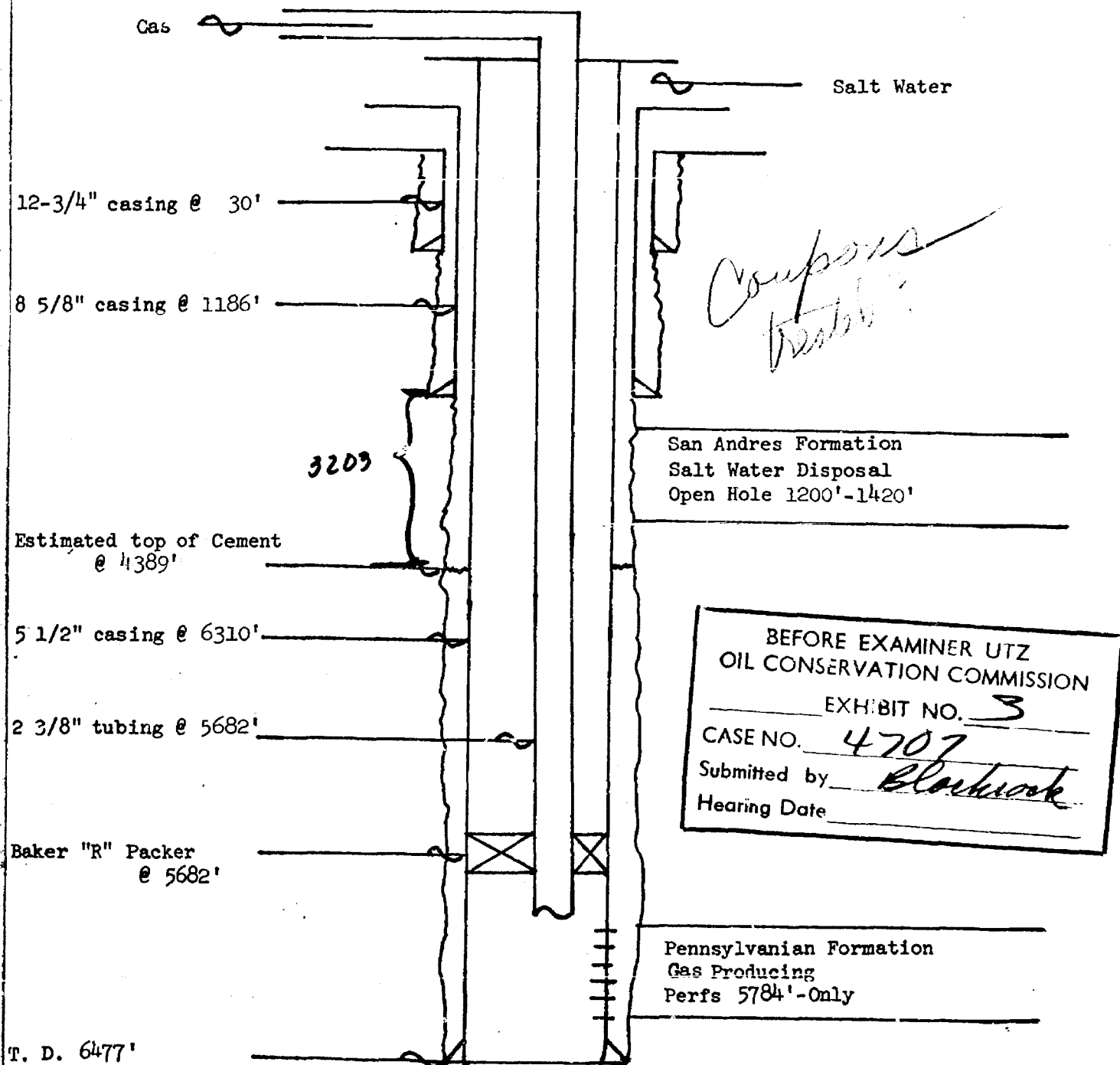
Signature

O. D. Butler

*Should waivers from all offset operators not accompany an application for administrative approval, the New Mexico Oil Conservation Commission will hold the application for a period of twenty (20) days from date of receipt by the Commission's Santa Fe office. If, after said twenty-day period, no protest nor request for hearing is received by the Santa Fe office, the application will then be processed.

NOTE: If the proposed multiple completion will result in an unorthodox well location and/or a non-standard perforation unit in one or more of the producing zones, then separate application for approval of the same should be filed simultaneously with this application.

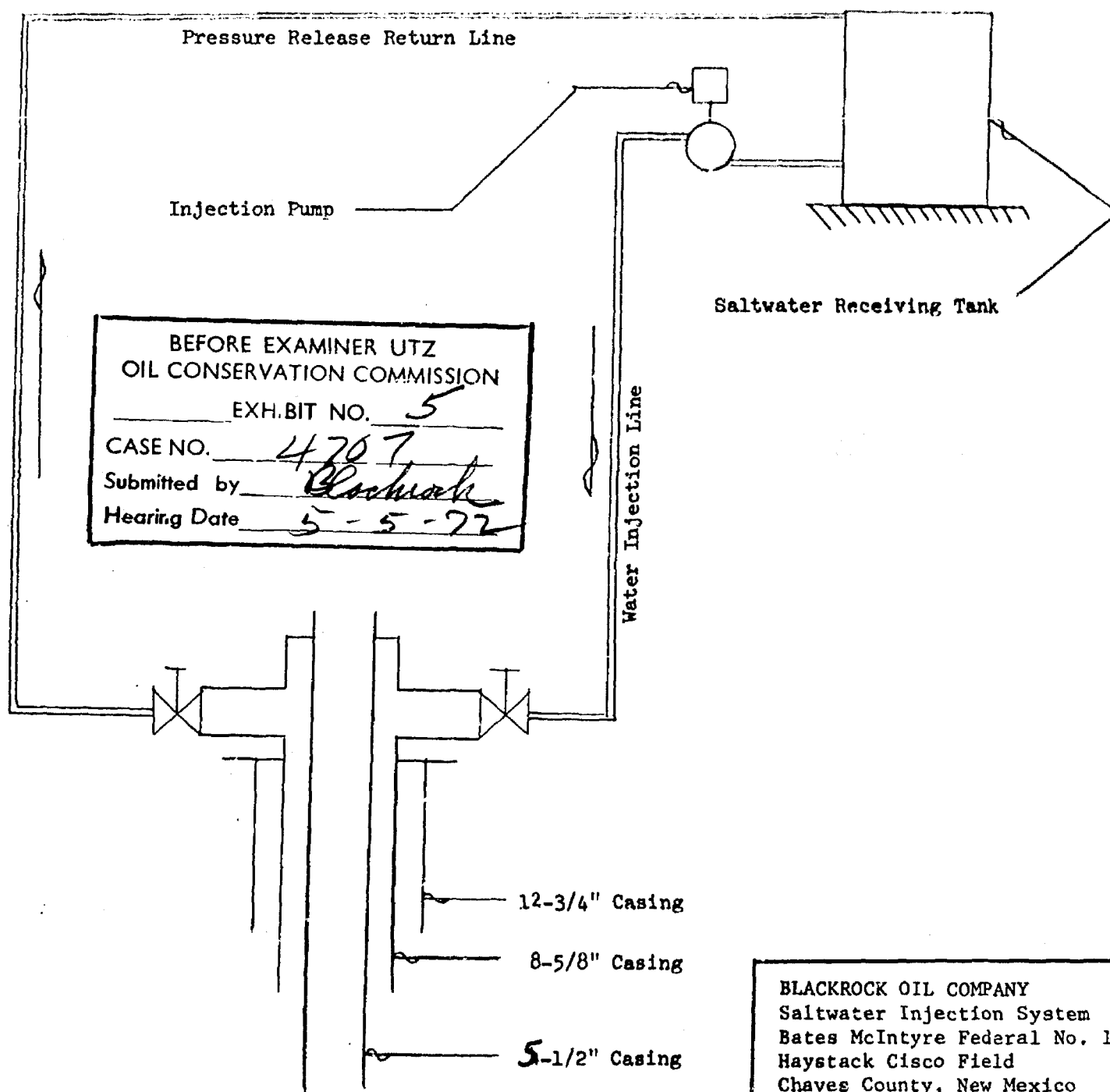
DIAGRAMATIC SKETCH



350-400
BOW day

BLACKROCK OIL COMPANY
Proposed Dual Completion
Bates McIntyre Federal No. 1
Haystack Cisco Field
Chaves County, New Mexico
Unit H, Sec. 9, T-6-S, R-27-E

DIAGRAMATIC SKETCH
SALT WATER INJECTION SYSTEM



BEFORE EXAMINER UTZ
OIL CONSERVATION COMMISSION

EXHIBIT NO. 6

CASE NO. 4707

Submitted by Blackrock

Hearing Date 5-5-72

April 6, 1972

UNITED STATES GEOLOGICAL SURVEY
Drawer DD
Artesia, New Mexico 88210

Re: Salt Water Disposal Application
BLACKROCK OIL COMPANY
Bates McIntyre Federal No. 1
Chaves County, New Mexico

Gentlemen:

With reference to the attached application for salt water disposal, it is respectfully requested that the United States Geological Survey grant their approval to this application. There are several points to consider in this particular application:

1. The very remote location of the well and trucking of salt water or drilling a salt water disposal well would be prohibitive. The well indicates it will produce approximately 500 MCFPD.
2. With regards to the open hole section below the 8-5/8" to the top of the cement, we had a gas logging unit on the well and there were no shows of oil or gas of any type in this interval.
3. The salt water disposal zone is the San Andres and is being used for salt water disposal in this area. Jack McClellan has a well approximately 3 miles away that is disposing of water into the San Andres. His system is at capacity and is not able to handle our volume of water.
4. The producing interval in this well is the Cisco section of the Pennsylvanian formation and is a water depleting type reservoir. This has been evident in the Pennsylvanian formation in North Lea County and again is proving itself in this immediate area. Shenandoah Oil Corporation has one well that was producing a fair amount of water and its water production has now depleted to a very small amount. It is anticipated that the water production will decline in this well and hopefully as the water declines, the gas production will increase.

In view of the foregoing, it is respectfully requested that the United States Geological Survey approve this application for salt water disposal and forward a copy of their approval to the New Mexico Oil Conservation Commission in Santa Fe.

USCS
Artesia, New Mexico

-2-

April 6, 1972

The New Mexico Oil Conservation Commission multiple completion, salt water disposal application, and non-standard gas unit hearing for this well is set in Santa Fe for May 5th, 1972.

Should any further information be required, please advise.

Yours very truly,

BLACKROCK OIL COMPANY

O. Doyle Butler

ODB:jh
Attachment

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form O-11
Supersedes O-10
Effective 1968

All distances must be from the outer boundaries of the Section

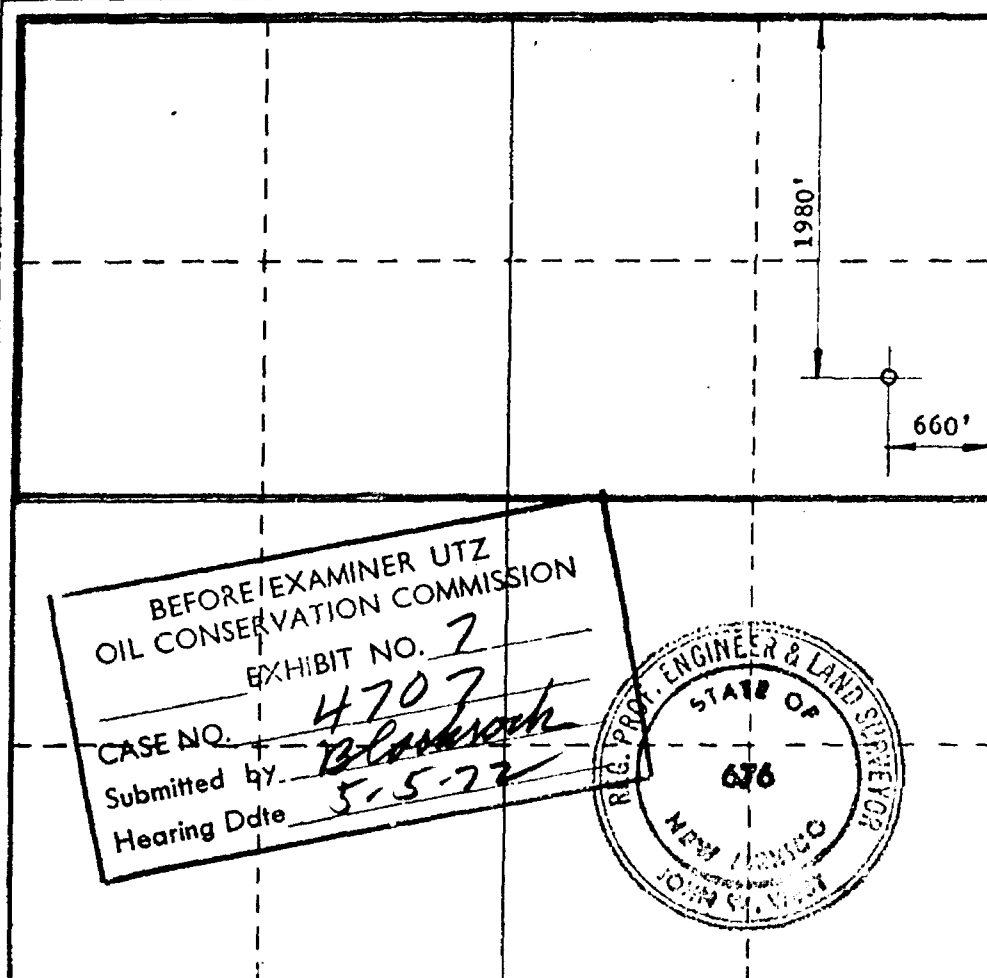
Operator BLACKROCK OIL COMPANY		Lease BATES MCINTYRE FEDERAL		Well No. 1
Unit Letter H	Section 9	Township 6 SOUTH	Range 27 EAST	County CHAVES
Actual Footage Location of Well:				
1980	feet from the NORTH	line and	660	feet from the EAST
Ground Level Elev. 3973.20	Producing Formation Pennsylvanian	Pool Haystack Cisco	Dedicated Acreage: 320	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name
O. D. Butler
Position
President
Company
BLACKROCK OIL COMPANY
Date
November 3, 1971

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

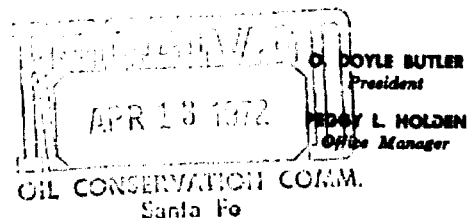
Date Surveyed
10-30-71
Registered Professional Engineer and/or Land Surveyor

John W. West
676

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Blackrock Oil Company

1000 V & J TOWER - MIDLAND, TEXAS 79701 - 915 683-5691



April 10, 1972

RECEIVED

APR 12 1972

NEW MEXICO OIL CONSERVATION COMMISSION
Drawer DD
Artesia, New Mexico 88210

O. C. C.
ARTESIA, OFFICE

Case 4707

Re: BLACKROCK OIL COMPANY
Bates McIntyre Federal No. 1
Chaves County, New Mexico

Gentlemen:

It is respectfully requested that an exception to the well location requirements of Rule 104 C II (a) be granted for the above noted well. This well is located 1980 FNI. & 660 FEL of Section 9, T-6-S, R-27-E, Chaves County, New Mexico. The N/2 of Section 9 comprising 320 acres is the acreage to be dedicated to this well.

This well was originally drilled as a Devonian oil producer and was a legal location for the Devonian oil. However, the Devonian was non-productive and the well was completed as a Pennsylvanian Cisco gas producer.

Copies of this request and the attached plat are being mailed this day to United States Geological Survey, Read & Stevens, Inc., Shenandoah Oil Corporation, and Jack McClellan.

Yours very truly,

BLACKROCK OIL COMPANY


O. Doyle Butler

ODB:jh
Attachment

DOCKET MAILED

Date 4-21-72

Petroleum Engineering, Land and Management Consultants

[illegible]

NEW MEXICO OIL CONSERVATION COMMISSION
APPLICATION TO DISPOSE OF SALT WATER BY INJECTION INTO A POROUS FORMATION

OPERATOR BLACKROCK OIL COMPANY				ADDRESS 1000 V & J Tower, Midland, Tx 79701			
LEASE NAME Bates McIntyre Federal			WELL NO. 1	FIELD Haystack Cisco Gas		COUNTY Chaves	
LOCATION UNIT LETTER H ; WELL IS LOCATED 1980 FEET FROM THE North LINE AND 660 FEET FROM THE East LINE, SECTION 9 TOWNSHIP 6-S RANGE 27-E NMPM.							
CASING AND TUBING DATA							
NAME OF STRING		SIZE	SETTING DEPTH	SACKS CEMENT	TOP OF CEMENT	TOP DETERMINED BY	
SURFACE CASING		12-3/4"	30'	Ready Mix	Surface	Conductor Only	
INTERMEDIATE		8-5/8"	1186'	485 sx.	Surface	Circulation	
LONG STRING		5-1/2"	6310'	300 sx.	4389'	Calculation	
TUBING		2-3/8"	5682'	NAME, MODEL AND DEPTH OF TUBING PACKER Baker Model R @ 5682'			
NAME OF PROPOSED INJECTION FORMATION San Andres				TOP OF FORMATION 1200'		BOTTOM OF FORMATION 1420'	
IS INJECTION THROUGH TUBING, CASING, OR ANNULUS? Annulus 5-1/2 x 8-5/8			PERFORATIONS OR OPEN HOLES Open Hole		PROPOSED INTERVAL(S) OF INJECTION 1200' - 1420'		
IS THIS A NEW WELL DRILLED FOR DISPOSAL? No		IF ANSWER IS NO, FOR WHAT PURPOSE WAS WELL ORIGINALLY DRILLED? Gas				HAS WELL EVER BEEN PERFORATED IN ANY ZONE OTHER THAN THE PROPOSED INJECTION ZONE? Yes	
LIST ALL SUCH PERFORATED INTERVALS AND SACKS OF CEMENT USED TO SEAL OFF OR SQUEEZE EACH 6254'-6275', BP @ 6238', 300 sx. - 6154'-6188', BP @ 6110' - Production 5784' Only							
DEPTH OF BOTTOM OF DEEPEST FRESH WATER ZONE IN THIS AREA 1136'		DEPTH OF BOTTOM OF NEXT HIGHER OIL OR GAS ZONE IN THIS AREA NONE			DEPTH OF TOP OF NEXT LOWER OIL OR GAS ZONE IN THIS AREA 6275'		
ANTICIPATED DAILY INJECTION VOLUME (BBLs.) 360	MINIMUM 250	MAXIMUM 360	OPEN OR CLOSED TYPE SYSTEM Closed		IS INJECTION TO BE BY GRAVITY OR PRESSURE? Pressure		APPROX. PRESSURE (PSI) 1000 psi
ANSWER YES OR NO WHETHER THE FOLLOWING WATERS ARE MINERALIZED TO SUCH A DEGREE AS TO BE UNFIT FOR DOMESTIC, STOCK, IRRIGATION, OR OTHER GENERAL USE - Yes			WATER TO BE DISPOSED OF Yes		NATURAL WATER IN DISPOSAL ZONE Yes		ARE WATER ANALYSES ATTACHED? No
NAME AND ADDRESS OF SURFACE OWNER (OR LESSEE, IF STATE OR FEDERAL LAND) Fred Van Eaton, Box 4, Kenna, New Mexico 88122							
LIST NAMES AND ADDRESSES OF ALL OPERATORS WITHIN ONE-HALF (1/2) MILE OF THIS INJECTION WELL Shenandoah Oil Corporation, 703 V & J Tower, Midland, Tx 79701 Jack McClellan, P. O. Box 848, Roswell, New Mexico 88201							
HAVE COPIES OF THIS APPLICATION BEEN SENT TO EACH OF THE FOLLOWING? Yes		SURFACE OWNER Yes		EACH OPERATOR WITHIN ONE-HALF MILE OF THIS WELL Yes			
ARE THE FOLLOWING ITEMS ATTACHED TO THIS APPLICATION (SEE RULE 701-B) Yes		PLAT OF AREA Yes		ELECTRICAL LOG Yes		DIAGRAMMATIC SKETCH OF WELL Yes	

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

O.D. Butler

O.D. Butler

President

March 20, 1972

(Signature)

(Title)

(Date)

NOTE: Should waivers from the surface owner and all operators within one-half mile of the proposed injection well not accompany this application, the New Mexico Oil Conservation Commission will hold the application for a period of 15 days from the date of receipt by the Commission's Santa Fe office. If at the end of the 15-day waiting period no protest has been received by the Santa Fe office, the application will be processed. If a protest is received, the application will be set for hearing. If the applicant so requests. SEE RULE 701.

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form O-101
Superseded O-101
Effective 1968

All distances must be from the outer boundaries of the Section

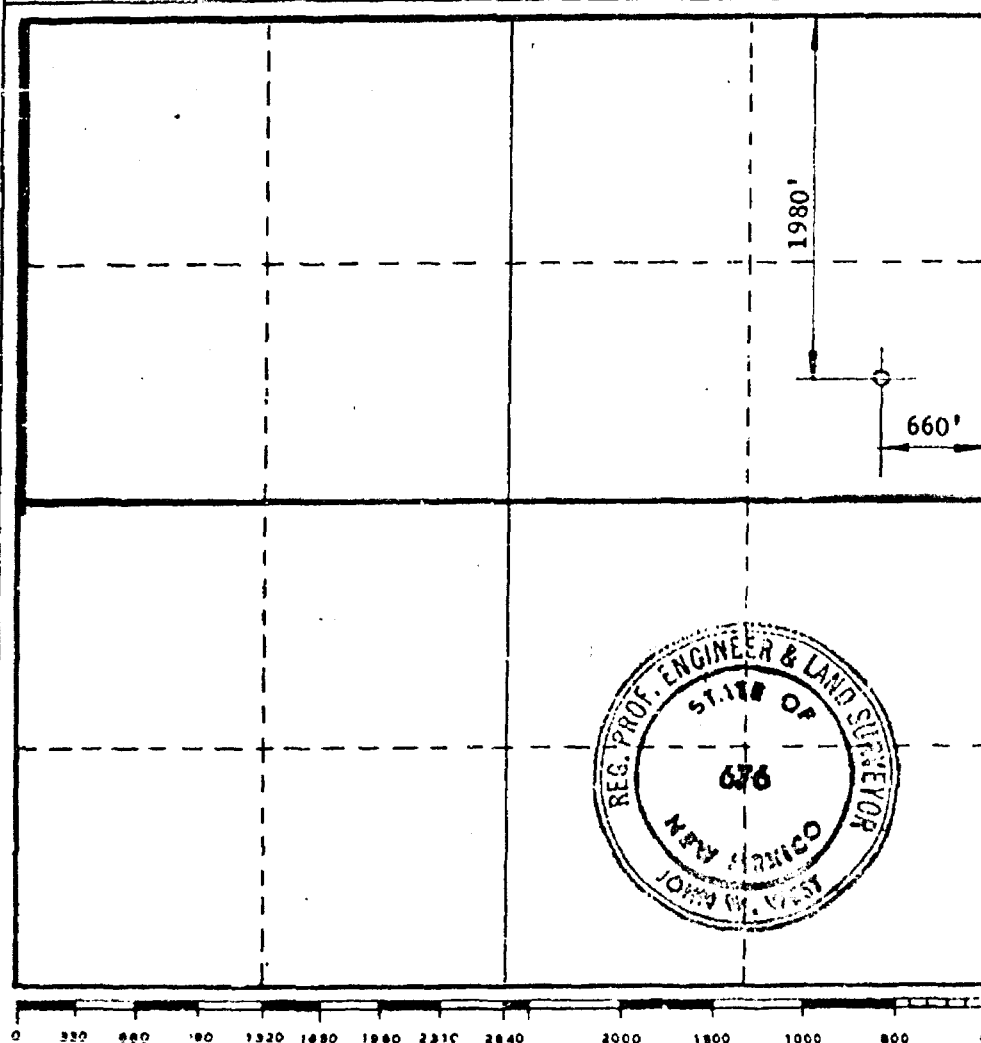
Operator BLACKROCK OIL COMPANY			Lease BATES MCINTYRE FEDERAL		Well No. 1
Unit Letter H	Section 9	Township 6 SOUTH	Range 27 EAST	County CHAVES	
Actual Footage Location of Well: 1980 feet from the NORTH line and 660 feet from the EAST line					
Ground Level Elev. 3973.20	Producing Formation Pennsylvanian	Pool Haystack Cisco	Dedicated Acreage: 320 Acres		

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name
O. D. Butler
Position
President
Company
BLACKROCK OIL COMPANY
Date
November 3, 1971

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed
10-30-71

Registered Professional Engineer and/or Land Surveyor

John W. West
Certificate No. **676**

Blackrock Oil Company

1000 V & J TOWER - MIDLAND, TEXAS 79701 - 915 683-8691

O. DOYLE BUTLER
President

PEGGY L. HOLDEN
Office Manager

March 20, 1972

RECEIVED
MAR 27 1972

CONSERVATION COMM.

Set for Hearing

Case 4707

Mr. A. L. Porter
Secretary - Director
NEW MEXICO OIL CONSERVATION COMMISSION
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: Administrative Approval for
Multiple Completion and
Salt Water Disposal
BLACKROCK OIL COMPANY
Bates McIntyre Federal No. 1
Chaves County, New Mexico

Dear Mr. Porter:

In accordance with Rule 112-A (IV) and by the provision of Rule 112-A (II)(a), being the BLACKROCK OIL COMPANY, Mobil Atlantic Federal No. 1, Unit D, Section 10, T-9-S, R-36-E, Lea County, New Mexico, it is respectfully requested that administrative approval for Multiple Completion be granted for the above noted well.

Also in accordance with Rule 701-C it is requested that administrative approval be granted for an exception to Rule 701-A for Salt Water Disposal.

Attached are Forms C-107, C-108, Diagramatic Sketch of Multiple Completion, Plant, and Electric Log. Copies of this letter and attachments are being mailed this date to all offset operators and the surface owner or lessee.

Should any further information be required, please advise.

Yours very truly,

BLACKROCK OIL COMPANY

[Signature]
O. Doyle Butler

ODB:jh
Attachments
cc: NMOCC - Hobbs
USGS - Hobbs (2)

Petroleum Engineering, Land and Management Consultants

NEW MEXICO OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
APPLICATION FOR MULTIPLE COMPLETION

RECEIVED
MAR 27 1972
CONSERVATION COMM.

Operator BLACKROCK OIL COMPANY		County Chaves	Date March 20, 1972
Address 1000 V & J Tower, Midland, Texas 79701		Lease Bates McIntyre Federal	Well No. 1
Location of Well H	Unit 9	Township 6-S	Range 27-E

1. Has the New Mexico Oil Conservation Commission heretofore authorized the multiple completion of a well in these same pools or in the same zones within one mile of the subject well? YES _____ NO X
2. If answer is yes, identify one such instance: Order No. _____; Operator Lease, and Well No.: Order 4707

3. The following facts are submitted:	Upper Zone	Intermediate Zone	Lower Zone
a. Name of Pool and Formation	Haystack San Andres		Haystack Cisco
b. Top and Bottom of Pay Section (Perforations)	1200' - 1420' Open Hole		5784' Only Perforations
c. Type of production (Oil or Gas)	Water Injection		Gas
d. Method of Production (Flowing or Artificial Lift)	Injection pump		Flowing

4. The following are attached. (Please check YES or NO)

- | Yes | No | |
|-------------------------------------|-------------------------------------|---|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | a. Diagrammatic Sketch of the Multiple Completion, showing all casing strings, including diameters and setting depths, centralizers and/or turbolizers and location thereof, quantities used and top of cement, perforated intervals, tubing strings, including diameters and setting depth, location and type of packers and side door chokes, and such other information as may be pertinent. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | b. Plat showing the location of all wells on applicant's lease, all offset wells on offset leases, and the names and addresses of operators of all leases offsetting applicant's lease. |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | c. Waivers consenting to such multiple completion from each offset operator, or in lieu thereof, evidence that said offset operators have been furnished copies of the application.* |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | d. Electrical log of the well or other acceptable log with tops and bottoms of producing zones and intervals of perforation indicated thereon. (If such log is not available at the time application is filed it shall be submitted as provided by Rule 112-A.) |

5. List all offset operators to the lease on which this well is located together with their correct mailing address.

Shenandoah Oil Corporation, 703 V & J Tower, Midland, Tx 79701

Jack McClellan, P. O. Box 848, Roswell, New Mexico 38201

6. Were all operators listed in Item 5 above notified and furnished a copy of this application? YES X NO _____. If answer is yes, give date of such notification **March 20, 1972**.

CERTIFICATE: I, the undersigned, state that I am the **President** of the **BLACKROCK OIL COMPANY** (company), and that I am authorized by said company to make this report; and that this report was prepared under my supervision and direction and that the facts stated therein are true, correct and complete to the best of my knowledge.



Signature

O. D. Butler

*Should waivers from all offset operators not accompany an application for administrative approval, the New Mexico Oil Conservation Commission will hold the application for a period of twenty (20) days from date of receipt by the Commission's Santa Fe office. If, after said twenty-day period, no protest nor request for hearing is received by the Santa Fe office, the application will then be processed.

NOTE: If the proposed multiple completion will result in an unorthodox well location and/or a non-standard proration unit in one or more of the producing zones, then separate application for approval of the same should be filed simultaneously with this application.

NEW MEXICO OIL CONSERVATION COMMISSION

APPLICATION TO DISPOSE OF SALT WATER BY INJECTION INTO A POROUS FORMATION

OPERATOR BLACKROCK OIL COMPANY		ADDRESS 1000 V & J Tower, Midland, Tx 79701			
LEASE NAME Bates McIntyre Federal	WELL NO. 1	FIELD Haystack Cisco Gas	COUNTY Chaves		
LOCATION UNIT LETTER H ; WELL IS LOCATED 1980 FEET FROM THE North LINE AND 660 FEET FROM THE East LINE, SECTION 9 TOWNSHIP 6-S RANGE 27-E NMPM.					
CASING AND TUBING DATA					
NAME OF STRING	SIZE	SETTING DEPTH	SACKS CEMENT	TOP OF CEMENT	TOP DETERMINED BY
SURFACE CASING	12-3/4"	30'	Ready Mix	Surface	Conductor Only
INTERMEDIATE	8-5/8"	1186'	485 sx.	Surface	Circulation
LONG STRING	5-1/2"	6310'	300 sx.	4389'	Calculation
TUBING	2-3/8"	5682'	NAME, MODEL AND DEPTH OF TUBING PACKER Baker Model R @ 5682'		
NAME OF PROPOSED INJECTION FORMATION San Andres		TOP OF FORMATION 1200'		BOTTOM OF FORMATION 1420'	
IS INJECTION THROUGH TUBING, CASING, OR ANNULUS? Annulus 4-1/2 x 8-5/8		PERFORATIONS OR OPEN HOLE? Open Hole		PROPOSED INTERVAL(S) OF INJECTION 1200' - 1420'	
IS THIS A NEW WELL DRILLED FOR DISPOSAL? No		IF ANSWER IS NO, FOR WHAT PURPOSE WAS WELL ORIGINALLY DRILLED? Gas		HAS WELL EVER BEEN PERFORATED IN ANY ZONE OTHER THAN THE PROPOSED INJECTION ZONE? Yes	
LIST ALL SUCH PERFORATED INTERVALS AND SACKS OF CEMENT USED TO SEAL OFF OR SQUEEZE EACH 6254'-6275', BP @ 6238', 300 sx. - 6154'-6188', BP @ 6110' - Production 5784' Only					
DEPTH OF BOTTOM OF DEEPEST FRESH WATER ZONE IN THIS AREA 1136'		DEPTH OF BOTTOM OF NEXT HIGHER OIL OR GAS ZONE IN THIS AREA NONE		DEPTH OF TOP OF NEXT LOWER OIL OR GAS ZONE IN THIS AREA 6275'	
ANTICIPATED DAILY INJECTION VOLUME (BBLs.) 360	MINIMUM 250	MAXIMUM 360	OPEN OR CLOSED TYPE SYSTEM Closed	IS INJECTION TO BE BY GRAVITY OR PRESSURE? Pressure	APPROX. PRESSURE (PSI) 1000 psi
ANSWER YES OR NO WHETHER THE FOLLOWING WATERS ARE MINERALIZED TO SUCH A DEGREE AS TO BE UNFIT FOR DOMESTIC, STOCK, IRRIGATION, OR OTHER GENERAL USE - Yes		WATER TO BE DISPOSED OF Yes		NATURAL WATER IN DISPOSAL ZONE Yes	ARE WATER ANALYSES ATTACHED? No
NAME AND ADDRESS OF SURFACE OWNER (OR LESSEE, IF STATE OR FEDERAL LAND) Fred Van Eaton, Box 4, Kenna, New Mexico 88122					
LIST NAMES AND ADDRESSES OF ALL OPERATORS WITHIN ONE-HALF (1/2) MILE OF THIS INJECTION WELL Shenandoah Oil Corporation, 703 V & J Tower, Midland, Tx 79701 Jack McClellan, P. O. Box 848, Roswell, New Mexico 88201					
HAVE COPIES OF THIS APPLICATION BEEN SENT TO EACH OF THE FOLLOWING? Yes		SURFACE OWNER Yes		EACH OPERATOR WITHIN ONE-HALF MILE OF THIS WELL Yes	
ARE THE FOLLOWING ITEMS ATTACHED TO THIS APPLICATION (SEE RULE 701-B)? Yes		PLAT OF AREA Yes		ELECTRICAL LOG Yes	DIAGRAMMATIC SKETCH OF WELL Yes

I hereby certify that the information above is true and complete to the best of my knowledge and belief.


(Signature)

O.D. Butler

President

March 20, 1972

(Title)

(Date)

NOTE: Should waivers from the surface owner and all operators within one-half mile of the proposed injection well not accompany this application, the New Mexico Oil Conservation Commission will hold the application for a period of 15 days from the date of receipt by the Commission's Santa Fe office. If at the end of the 15-day waiting period no protest has been received by the Santa Fe office, the application will be processed. If a protest is received, the application will be set for hearing, if the applicant so requests. SEE RULE 701.

<p>Pubco 1/2 Forest 1/2 6-1-73 0390104</p> <p>7</p> <p>U.S.</p>	<p>W.K. Byrom 5-1-73 9404</p> <p>BLACKROCK 10-1-78 7814</p> <p>Pubco 1/2 Forest 1/2 6-1-73 0390104</p> <p>U.S.</p>	<p>Shenandoah 10-1-78 7814</p> <p>BLACKROCK OIL CO 7814</p> <p>Read & Stevens 10-1-78 7814</p> <p>U.S.</p>	<p>Allied Chem, et al 7-1-71 0184766</p> <p>U.S.</p>	<p>J.L. McClellan 9-18-78</p> <p>Wm. Fahrlander 7-21-74</p> <p>J.L. McClellan 9-18-78</p> <p>Wm. Fahrlander 7-21-74</p> <p>U.S.</p>	<p>Humble 5-10-75</p> <p>J.L. McClellan 1-23-72</p> <p>So. Mins. (Humble) 5-10-75</p> <p>U.S.</p>	<p>Minerals Inc. 1-23-72</p> <p>U.S.</p>	<p>Minerals Inc. 1-23-72</p> <p>U.S.</p>	<p>Minerals Inc. 1-23-72</p> <p>U.S.</p>	<p>Minerals Inc. 1-23-72</p> <p>U.S.</p>
<p>Read & Stevens 6-5-78</p> <p>Catherine Masten 1-18-78</p> <p>Pubco 1/2 Forest 1/2 6-1-73 0390104</p> <p>U.S.</p>	<p>Pubco 1/2 Forest 1/2 6-1-73 0390104</p> <p>17</p> <p>U.S.</p>	<p>Shenandoah 4-21-74 L-2463 K-4025 758</p> <p>Shenandoah 4-21-74 L-2463 K-4025 758</p> <p>Shenandoah 4-21-74 L-2463 K-4025 758</p> <p>Shenandoah 4-21-74 L-2463 K-4025 758</p> <p>U.S.</p>	<p>Allied Chem, et al 7-1-71 0184766</p> <p>J.L. McClellan 9-18-78</p> <p>Wm. Fahrlander 7-21-74</p> <p>U.S.</p>	<p>J.L. McClellan 9-18-78</p> <p>Wm. Fahrlander 7-21-74</p> <p>U.S.</p>	<p>J.L. McClellan 9-18-78</p> <p>Wm. Fahrlander 7-21-74</p> <p>U.S.</p>	<p>J.L. McClellan 9-18-78</p> <p>Wm. Fahrlander 7-21-74</p> <p>U.S.</p>	<p>J.L. McClellan 9-18-78</p> <p>Wm. Fahrlander 7-21-74</p> <p>U.S.</p>	<p>J.L. McClellan 9-18-78</p> <p>Wm. Fahrlander 7-21-74</p> <p>U.S.</p>	<p>J.L. McClellan 9-18-78</p> <p>Wm. Fahrlander 7-21-74</p> <p>U.S.</p>
<p>Terra Res. 6-1-73 0390088</p> <p>19</p> <p>U.S.</p>	<p>Shenandoah (Forest) 6-1-73 0390091</p> <p>20</p> <p>U.S.</p>	<p>Shenandoah (Forest) 6-1-73 0390091</p> <p>21</p> <p>U.S.</p>	<p>Allied Chem, et al 7-1-71 0184766</p> <p>J.L. McClellan 9-18-78</p> <p>Wm. Fahrlander 7-21-74</p> <p>U.S.</p>	<p>J.L. McClellan 9-18-78</p> <p>Wm. Fahrlander 7-21-74</p> <p>U.S.</p>	<p>J.L. McClellan 9-18-78</p> <p>Wm. Fahrlander 7-21-74</p> <p>U.S.</p>	<p>J.L. McClellan 9-18-78</p> <p>Wm. Fahrlander 7-21-74</p> <p>U.S.</p>	<p>J.L. McClellan 9-18-78</p> <p>Wm. Fahrlander 7-21-74</p> <p>U.S.</p>	<p>J.L. McClellan 9-18-78</p> <p>Wm. Fahrlander 7-21-74</p> <p>U.S.</p>	<p>J.L. McClellan 9-18-78</p> <p>Wm. Fahrlander 7-21-74</p> <p>U.S.</p>
<p>Pubco 1/2 Forest 1/2 6-1-73 0390088</p> <p>30</p> <p>U.S.</p>	<p>Pubco 1/2 Forest 1/2 6-1-73 0390088</p> <p>29</p> <p>U.S.</p>	<p>Pubco 1/2 Forest 1/2 6-1-73 0390088</p> <p>28</p> <p>U.S.</p>	<p>Allied Chem, et al 7-1-71 0184766</p> <p>J.L. McClellan 9-18-78</p> <p>Wm. Fahrlander 7-21-74</p> <p>U.S.</p>	<p>J.L. McClellan 9-18-78</p> <p>Wm. Fahrlander 7-21-74</p> <p>U.S.</p>	<p>J.L. McClellan 9-18-78</p> <p>Wm. Fahrlander 7-21-74</p> <p>U.S.</p>	<p>J.L. McClellan 9-18-78</p> <p>Wm. Fahrlander 7-21-74</p> <p>U.S.</p>	<p>J.L. McClellan 9-18-78</p> <p>Wm. Fahrlander 7-21-74</p> <p>U.S.</p>	<p>J.L. McClellan 9-18-78</p> <p>Wm. Fahrlander 7-21-74</p> <p>U.S.</p>	<p>J.L. McClellan 9-18-78</p> <p>Wm. Fahrlander 7-21-74</p> <p>U.S.</p>
<p>Pubco 1/2 Forest 1/2 6-1-73 0390633</p> <p>31</p> <p>U.S.</p>	<p>Pubco 1/2 Forest 1/2 6-1-73 0390633</p> <p>32</p> <p>U.S.</p>	<p>Pubco 1/2 Forest 1/2 6-1-73 0390633</p> <p>33</p> <p>U.S.</p>	<p>Allied Chem, et al 7-1-71 0184766</p> <p>J.L. McClellan 9-18-78</p> <p>Wm. Fahrlander 7-21-74</p> <p>U.S.</p>	<p>J.L. McClellan 9-18-78</p> <p>Wm. Fahrlander 7-21-74</p> <p>U.S.</p>	<p>J.L. McClellan 9-18-78</p> <p>Wm. Fahrlander 7-21-74</p> <p>U.S.</p>	<p>J.L. McClellan 9-18-78</p> <p>Wm. Fahrlander 7-21-74</p> <p>U.S.</p>	<p>J.L. McClellan 9-18-78</p> <p>Wm. Fahrlander 7-21-74</p> <p>U.S.</p>	<p>J.L. McClellan 9-18-78</p> <p>Wm. Fahrlander 7-21-74</p> <p>U.S.</p>	<p>J.L. McClellan 9-18-78</p> <p>Wm. Fahrlander 7-21-74</p> <p>U.S.</p>

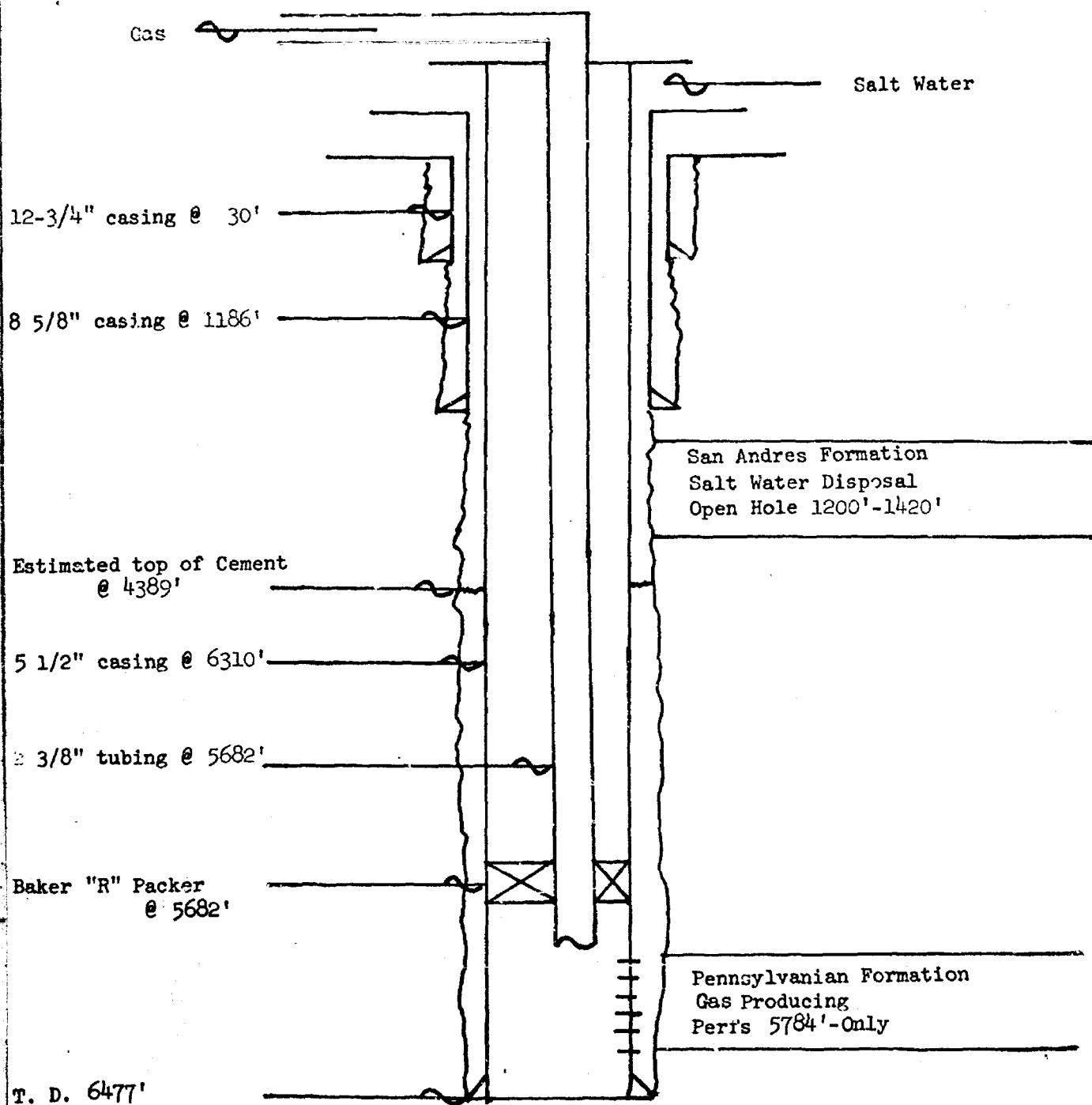
BLACKROCK OIL COMPANY

Bates McIntyre Federal No. 1
Unit H, Section 9, T-6-S, R-27-E
Chaves County, New Mexico

Note: All Wells Within One Mile
Are Producing From Penn Cisco Formation

Case 4707

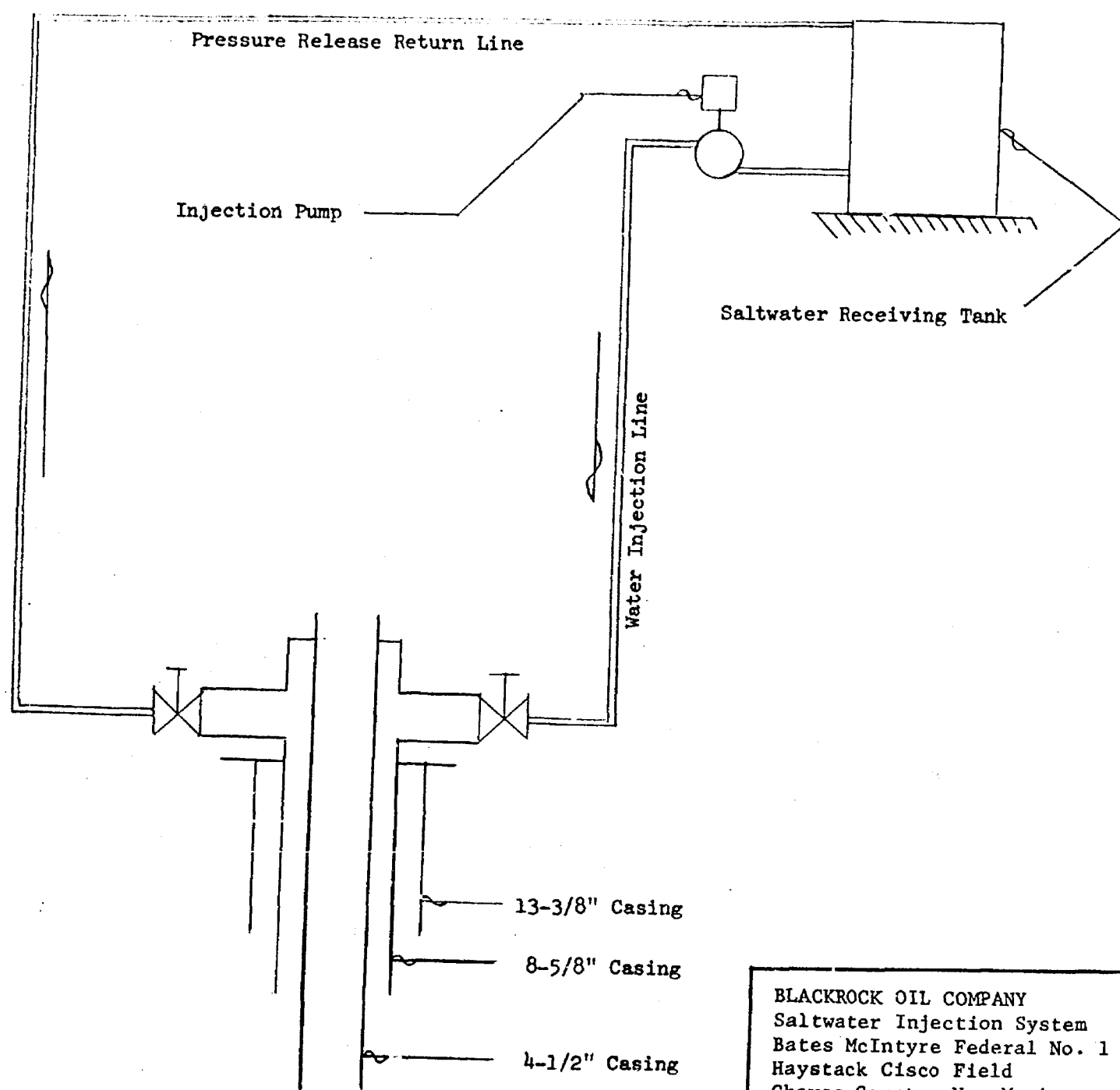
DIAGRAMATIC SKETCH



BLACKROCK OIL COMPANY
 Proposed Dual Completion
 Bates McIntyre Federal No. 1
 Haystack Cisco Field
 Chaves County, New Mexico
 Unit H, Sec. 9, T-6-S, R-27-E

Case 4707

DIAGRAMATIC SKETCH
SALT WATER INJECTION SYSTEM



BLACKROCK OIL COMPANY
Saltwater Injection System
Bates McIntyre Federal No. 1
Haystack Cisco Field
Chaves County, New Mexico
Unit H, Sec. 9, T-6-S, R-27-E

Case 4707

DRAFT

GMH/dr

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

gms
IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

AS
CASE No. 4707

Order No. R-4316

APPLICATION OF BLACKROCK OIL
COMPANY FOR A DUAL COMPLETION,
SALT WATER DISPOSAL, AND UNORTHOC-
DOX LOCATION

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on May 5, 1972,
at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 5th day of May, 1972, the Commission, a
quorum being present, having considered the testimony, the record,
and the recommendations of the Examiner, and being fully advised
in the premises,

FINDS:

(1) That due public notice having been given as required by
law, the Commission has jurisdiction of this cause and the subject
matter thereof.


(2) That the applicant, Blackrock Oil Company, seeks
authority to complete its Bates McIntyre Federal Well No. 1 at
an unorthodox location, 1980 feet from the North line and 660
feet from the East line of Section 9, Township 6 South, Range 27
East, ~~NMPM~~ ^{NMPM} ~~Pool~~, Chaves County,
New Mexico, as a dual completion to produce gas from the Haystack-
Cisco Gas Pool through 2 3/8-inch tubing and to dispose of produced
salt water down the annulus between the ~~4 1/2-inch~~ ^{5 1/2-inch} production
casing string and the 8 5/8-inch intermediate casing string
into the San Andres and other formations in the open-hole
interval from approximately 1186 feet to 4389 feet.

(3) That the subject well was drilled at a standard
location to test the Haystack Siluro-Devonian Pool but
was productive of gas in the Haystack-Cisco Gas Pool.

~~13~~ That the produced salt water should be continuously treated prior to injection to prevent casing corrosion and coupon corrosion tests should be conducted continuously on said well and the results thereof filed quarterly with the Commission until further notice from the Secretary-Director of the Commission.

(2) That approval of the dual completion, ~~and~~ salt water disposal, ~~as set out above~~ *and monthly location as requested* will prevent the drilling of unnecessary wells, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Blackrock Oil Company, is hereby authorized to complete its Bates McIntyre Federal Well No. 1 at an unorthodox location, 1980 feet from the North line and 660 feet from the East line of Section 9, Township 6 South, Range 27 East, NMPM,  Pool, Chaves County, New Mexico, as a dual completion to produce gas from the Haystack-Cisco Gas Pool through 2 3/8-inch tubing and to dispose of produced salt water down the annulus between ^{5 1/2}~~4 1/2~~-inch production casing string and the 8 5/8-inch intermediate casing string into the San Andres and other formations in the open-hole interval from approximately 1186 feet to 4389 feet;

PROVIDED HOWEVER, that the produced salt water shall be continuously treated prior to injection to prevent casing corrosion; that coupon corrosion tests shall be conducted continuously on said well and the results thereof filed quarterly with the Commission until further notice from the Secretary-Director of the Commission;

PROVIDED FURTHER, that the applicant shall submit monthly reports of his disposal operations in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.

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CASE NO. 4707

Order No. R-

(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

CASE 4708: Application of JAKE L.
HAMON FOR SALT WATER DISPOSAL,
LEA COUNTY, NEW MEXICO.