

Case Number

4708

Application

Transcripts

Small Exhibits

ETC.

dearnley-meier reporting service, inc.

SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXHIBIT TESTIMONY, DAILY COPY, CONVENTIONS
209 SIMMS BLDG., P.O. BOX 1082, PHONE 243-6691, ALBUQUERQUE, NEW MEXICO 87103
FIRST NATIONAL BANK BLDG., EAST-ALBUQUERQUE, NEW MEXICO 87102

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 Jake L. Hamon for
salt water disposal, Lea County,
New Mexico.

CASE NO. 4708

BEFORE: Elvis A. Utz
Examiner

TRANSCRIPT OF HEARING

1 MR. UTZ: Case No. 4708.

2 MR. HATCH: Application of Jake L. Hamon for
3 salt water disposal, Lea County, New Mexico.

4 MR. HINKLE: Clarence Hinkle appearing on behalf
5 of the Applicant.

6 MR. UTZ: You may proceed.

7 JOHN CASEY,
8 was called as a witness and, after being duly sworn, testified
9 as follows:

10 DIRECT EXAMINATION

11 BY MR. HINKLE:

12 Q Would you state your name, your residence, and by
13 whom you are employed?

14 A John Casey, I live in Midland, Texas, and am employed
15 by Jake L. Hamon.

16 Q What is your position with Mr. Hamon?

17 A Geologist.

18 Q Have you previously testified before the Commission?

19 A Yes, I have.

20 Q And your qualifications as a Petroleum Geologist are
21 a matter of record with the Commission?

22 A They are.

23 Q Have you made a study of the East Shober-Devonian
24 Field?

25 A Yes.

1 Q Are you familiar with all the production histories
2 and so forth?

3 A Yes.

4 Q Was this Application originally filed with the
5 Commission for administrative approval?

6 A Yes, it was. We previously had administrative approval
7 to use this well as a water disposal well and that
8 was amended by authority of the Commission for administrative
9 approval and that's why we submitted for administrative
10 approval.

11 Q And you sought this Hearing because you intended to
12 inject water into a producing formation; is that right?

13 A Right.

14 Q Whereas the previous injections were not into producing
15 formations?

16 A That's right.

17 Q What are you seeking to accomplish by this Application?

18 A At the present time, we are injecting into the
19 Pennsylvanian, but it takes extremely high pressure
20 to get water into that zone, so we want to drill out
21 our plug and clean out the bottom and deepen the well,
22 I believe about forty-five feet into a more porous zone
23 in the Devonian.

24 By injecting water into it, hopefully, we won't
25 have to have the pressure.

- 1 Q Have you prepared certain Exhibits to introduce into
2 this Case?
- 3 A Yes.
- 4 Q How many Exhibits are there?
- 5 A We have six Exhibits.
- 6 Q Referring to Exhibit 1, will you explain what it is
7 and what it shows?
- 8 A Exhibit 1 is a plat and shows the proximity of the
9 East Shoebar Field. The red circle shows the well
10 we are asking to deepen and use for water disposal.
- 11 Q Referring to Exhibit 2, what does that show?
- 12 A Exhibit 2 is our Shoebar East Field and we have a
13 contour on the Devonian pay where we have estimated
14 it and where we show it in green.
- 15 Outlined there are the production limits of the
16 field based on oil-water contact.
- 17 Q This shows all the wells that have been drilled in the
18 pool?
- 19 A Yes, that's right, all of the wells.
- 20 Q Do you have any further comment on this Exhibit?
- 21 A I don't believe so, Mr. Hinkle.
- 22 Q Referring you to Exhibit Number 3, what does that show?
- 23 A Number 3 is a plat and we contour the field here on
24 the top of the Devonian. That is opposed to the previous
25 Exhibit that was on the pay.

1 This is on the top of the Devonian. I think
2 the main thing here that we show is the fault on the
3 southwest side of the field separating the field to
4 the west.

5 Q It shows the location of the subject injection well?

6 A Right, it is circled in red.

7 Q And it shows all the other wells that have been drilled?

8 A That is correct.

9 Q Do any of the wells make water?

10 A Yes, all of the wells producing there are making water.

11 Q Referring to Exhibit 4, will you explain what this is?

12 A Exhibit 4 is a tabulation of the wells producing in
13 the field and this tabulation is for production of the
14 first twenty-four days of April.

15 For the first twenty-four days in April, we show
16 all our wells, each of which is making water, we show
17 the total water that we have just for this twenty-day
18 period.

19 The total is a little over 1,300 barrels.

20 MR. PORTER: Does that represent a daily figure?

21 THE WITNESS: Yes.

22 MR. PORTER: Both oil and water?

23 THE WITNESS: Yes, that's right.

24 Q (By Mr. Hinkle) Have you previously filed a log of
25 the well with the Commission?

1 A Yes, sir.

2 Q Do you have another log, a new one, that shows
3 perforation, and so forth?

4 A Yes, sir.

5 Q That is the only one we have, the one you have that
6 is marked Exhibit 5?

7 A Yes, sir.

8 MR. UTZ: Do you need it?

9 THE WITNESS: I would like to refer to it.

10 A This is a gamma-ray neutron of the subject well, Mr.
11 Hamon's State B-2330, Well Number 1.

12 We have marked on it the top of the formation and
13 we have also marked the perforation through which we
14 will be injecting the water.

15 We show our casing setting and on down the hole
16 we show the Devonian formation. The drill stem test
17 that we took in the Devonian when we drilled this well
18 is shown and we have marked it on there and we show
19 fourteen feet of Devonian and then drilled another
20 fifteen feet and recovered some 800 feet of salt water
21 on our drill stem test and only sixty feet of oil.

22 So the primary producing site in the Devonian was
23 abandoned as a non-commercial well.

24 Q Referring you to Exhibit 5, will you explain what it
25 is and what it shows?

1 A The log was Exhibit 5.

2 Q I'm sorry, Exhibit 6.

3 A Exhibit 6 is a diagrammatic sketch of the well bore
4 and completion planned for this well.

5 Copies of this were previously submitted and we
6 show on the casing set the perforation previously
7 used for the disposal of water in the lower sand.

8 After we used the lower sand, we had authority
9 to use the Pennsylvanian perforation.

10 At this time our plan is to drill this well on
11 down to 13,100 feet and so we would have an open hole
12 from 10,558 to 13,100.

13 We also have our perforation currently being
14 used.

15 Q By completion then, your injection will be confined
16 to injection into the Pennsylvanian and Devonian
17 formations?

18 A Yes, that's right.

19 Q In your opinion, will the injection of water affect
20 any of the producing wells producing from the Devonian
21 formation?

22 A We don't believe there would be an adverse affect, if
23 anything, we think it would be beneficial.

24 Q How much water do you anticipate will be injected?

25 A We think that it will probably be about 1,500 barrels

- 1 a day. We want that, if possible.
- 2 Q Do you anticipate it will take great pressure to inject
- 3 into the Devonian as it takes in the Pennsylvanian?
- 4 A No, it shouldn't. The porosity we feel will be better
- 5 and hopefully we won't have pressure problems.
- 6 Q The Devonian is water drive; is it not?
- 7 A Yes.
- 8 Q Have you furnished all of the offset operators copies
- 9 of the Application?
- 10 A Yes.
- 11 Q And have you received any objections from any of the
- 12 offset operators?
- 13 A No, no objections.
- 14 Q Have you received approval?
- 15 A I do know we have Getty's approval, in fact, I have
- 16 a letter and they said they sent a letter to the
- 17 Commission showing their approval.
- 18 Q In your opinion, will the disposal of water into this
- 19 sub-well be in the interest of conservation and the
- 20 prevention of waste?
- 21 A Yes.
- 22 Q And protect correlative rights?
- 23 A Yes.
- 24 Q And it may be beneficial to the producing wells?
- 25 A Definitely.

1 MR. HINKLE: I will offer Applicant's Exhibits
2 1 through 5.

3 MR. UTZ: Without objection, Exhibits 1 through 5 --
4 you mean 1 through 6, don't you?

5 MR. HINKLE: I'm sorry.

6 MR. UTZ: Without objection, Exhibits 1 through 6
7 will be entered into the record of this case.

8 (Whereupon, Applicant's Exhibits 1 through 6 were
9 admitted in evidence.)

10 MR. HINKLE: That's all I have.

11 CROSS-EXAMINATION

12 BY MR. UTZ:

13 Q Mr. Casey, what type of drive do we have here?

14 A Water drive.

15 Q So, that being the case, it would be pretty hard to
16 hurt production?

17 A Yes, we feel it would not hurt production.

18 MR. UTZ: Any further questions?

19 (No response.)

20 MR. UTZ: If not, the witness may be excused.

21 (Witness excused.)

22 MR. UTZ: Any statements?

23 (No response)

24 MR. UTZ: Case 4708 will be taken under advisement.

25 Let the record show that I asked for appearances in this Case

dearnley-meier reporting service, inc.

SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIONS
205 SIMMS BLDG., P.O. BOX 10526 PHONE 243-6691 ALBUQUERQUE NEW MEXICO 87103
FIRST NATIONAL BANK BLDG. EAST ALBUQUERQUE, NEW MEXICO 87108

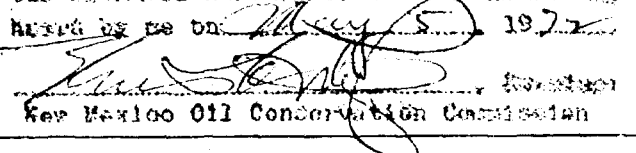
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and there were none.

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

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

10 
11 CERTIFIED SHORTHAND REPORTER

22 I do hereby certify that the foregoing is
23 a complete record of the proceedings in
24 the hearing before the New Mexico Oil Conservation Commission
25 held by me on May 5, 1972.

New Mexico Oil Conservation Commission

I N D E XWITNESS:PAGEJOHN CASEY

Direct Examination by Mr. Hinkle

3

Cross-Examination by Mr. Utz

10

E X H I B I T SAPPLICANT'S: (Jake L. Hamon)OFFEREDADMITTED

Exhibit Number 1

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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

7

10



OIL CONSERVATION COMMISSION

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

GOVERNOR
BRUCE KING
CHAIRMAN

LAND COMMISSIONER
ALEX J. ARMIJO
MEMBER

STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

May 19, 1972

Mr. Clarence Hinkle
Hinkle, Bondurant, Cox & Eaton
Attorneys at Law
Post Office Box 10
Roswell, New Mexico 88201

Re: Case No. 4708
Order No. R-4307
Applicant:
JAKE L. HAMON

Dear Sir:

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

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director *lp*

ALP/ir

Copy of order also sent to:

Hobbs OCC %

Artesia OCC

Aztec OCC

Other State Engineer Office

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. 4708
Order No. R-4307

APPLICATION OF JAKE L. HAMON
FOR SALT WATER DISPOSAL, LEA
COUNTY, NEW MEXICO.

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 19th 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 sub-
ject matter thereof.

(2) That the applicant, Jake L. Hamon, is the owner and
operator of the State B-2330 Well No. 1, located in Unit C of
Section 31, Township 16 South, Range 36 East, NMPM, East Shoebar-
Devonian Pool, Lea County, New Mexico.

(3) That the applicant proposes to utilize said well to
dispose of produced salt water into the Pennsylvanian and
Devonian formations, with injection into the perforated and
open-hole interval from approximately 10,492 feet to 13,100 feet.

(4) That the injection should be accomplished through
2 3/8-inch tubing installed in a packer set at approximately
10,415 feet; that a pressure gauge should be attached to the
annulus or the annulus left open at the surface in order to
determine leakage in the casing, tubing, or packer.

(5) That approval of the subject application will prevent
the drilling of unnecessary wells and otherwise prevent waste
and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Jake L. Hamon, is hereby authorized
to utilize his State B-2330 Well No. 1, located in Unit C of

-2-

CASE NO. 4708
Order No. R-4307

Section 31, Township 16 South, Range 36 East, NMPM, East Shoebar-Devonian Pool, Lea County, New Mexico, to dispose of produced salt water into the Pennsylvanian and Devonian formations, injection to be accomplished through 2 3/8-inch tubing installed in a packer set at approximately 10,415 feet, with injection into the perforated and open-hole interval from approximately 10,492 feet to 13,100 feet;

PROVIDED HOWEVER, that a pressure gauge shall be attached to the annulus or the annulus left open at the surface in order to determine leakage in the casing, tubing, or packer.

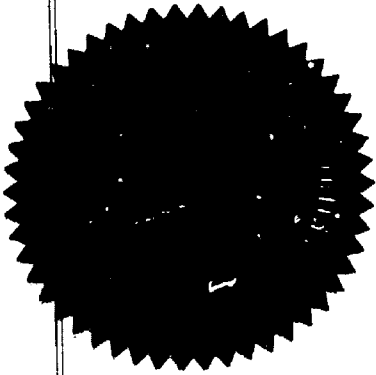
(2) That the applicant shall submit monthly reports of its disposal operations in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.

(3) That Administrative Order No. SWD-105, as amended, which previously authorized disposal into other zones in this same well, is hereby rescinded.

(4) 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. Armijo
ALEX J. ARMILLO, Member

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

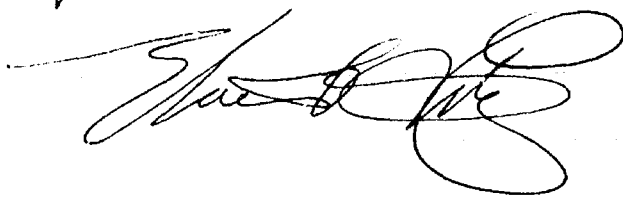
S E A L

dr/

11708
Heard 5-5-72
Rec. 5-8-72

Grant Jake L. Hamon's request for
a S W D & Cisco Producing
deal for his Hamon H. #DC-
31-165-36E.

Injection shall be down 2 $\frac{3}{8}$
tubing + under a packer into
the Pennsylvanian fm. perf. from
10,492-10,517 + open Devonian 10,558
to 13,100'



JAKE L. HAMON
OIL PRODUCER
908 VAUGHN BUILDING
MIDLAND, TEXAS

April 10, 1972

RECEIVED

APR 11 1972

Self-Inducing
Case 4708

State of New Mexico
Oil Conservation Commission
Box 2088
Santa Fe, New Mexico 87501

Attn: Mr. A. L. Porter, Jr.

Gentlemen:

Enclosed are three copies of Form C-108 and Diagrammatic Sketch of Proposed Completion for our Jake L. Hamon No. 1 State B-2330. Plats and logs for this well are already in your file. On August 12, 1969, you granted Administrative Order No. SWD-105 on this same well for injection of salt water into the Lower San Andres. On September 18, 1969, you granted Administrative Order No. SWD-105 Amended for injection into the Pennsylvanian formation between 10,492' and 10,620'. Since that time this zone has been used for disposal. However, it is taking extremely high pressures to inject into this interval.

We, therefore, propose to drill out cement plug below this zone, deepen the well from its present total depth of 13,055' to 13,100', and inject through combination of perforations and open hole for a total interval of from 10,492' to 13,100'.

This well was originally drilled to the Devonian section and on drill stem test recovered 60' of oil and 880' of salt water. It was thus proven that the zone was not productive. We do not believe that injection into this zone could in any way be harmful to the Shoebar, East Devonian Field, and might perhaps even be of some ~~benefit~~ from the standpoint of pressure maintenance.

We, therefore, request that Administrative Order No. SWD-105 Amended be further amended for injection as stated above. Please notify me of your decision by telephone at 915/682-5218. Thank you for your prompt consideration of this matter.

Yours very truly,

Jake L. Hamon

DOCKET MARKED

H. W. Shaw
H. W. Shaw, Production Superintendent

Date 4-21-72

bjh

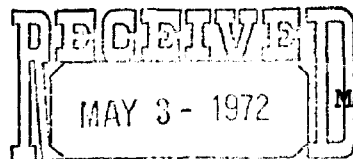
encls

cc: Chester Phillips
Joe Ramey

Getty Oil Company

P.O. Box 1231, Midland, Texas 79701

Mid-Continent Division J. E. Pierce, Midland District Production Manager



May 1, 1972

OIL CONSERVATION COMM.
Santa Fe

A. L. Porter, Jr.
Secretary-Director
New Mexico Oil Conservation Commission
Santa Fe, New Mexico 87501

Re: Examiner Hearing-May 5, 1972
East Shoebar - Devonian Field
Salt Water Disposal Well
(Case 4708)

Dear Sir:

Getty Oil Company approves and supports Jake L. Hamon's request for permit to dispose of produced salt water into the Pennsylvanian and Devonian formations in his No. 1 State B-2330 well located in Unit C, Section 31, T16S, R36E, East Shoebar Devonian Field, Lea County, New Mexico. Getty Oil Company is a Working Interest Owner in Hamon's No. 1 State B-2330 and has offset production from the Devonian formation in Unit D Section 32, T16S, R36E, Lea County, New Mexico.

Very truly yours,

WCS:nr

- 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.

(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.

SHOE BAR EAST (DEVONIAN) FIELD
LEA COUNTY, NEW MEXICO

INDIVIDUAL WELL DAILY PRODUCTION

<u>LEASE</u>	<u>OIL</u> <u>(Bbls.)</u>	<u>WATER</u> <u>(Bbls.)</u>
Jake L. Hamon - State "K-33" No. 1	160	390
Jake L. Hamon - State "K-33" No. 2	138	395
Jake L. Hamon - State "K-33" No. 3	230	40
Jake L. Hamon - State "K-4203" No. 1	205	40
Jake L. Hamon - State "A-1320" No. 1	300	20
Major, Giebel, & Forster - Mobil State No. 1	240	16
Getty Oil Company - State "L-736" No. 1	477	410
		<u>1300</u>

BEFORE EXAMINER UTZ
OIL CONSERVATION COMMISSION

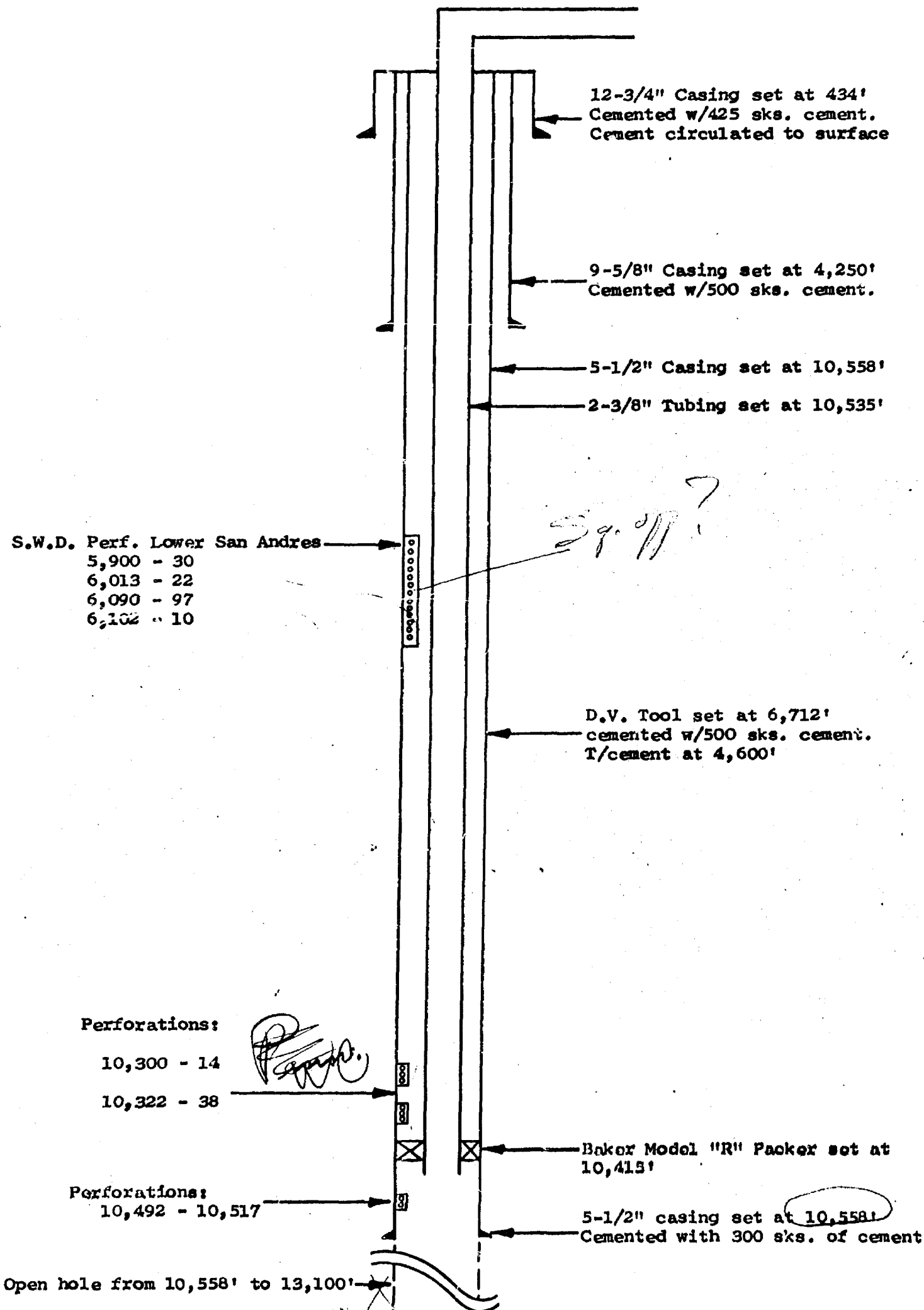
_____ E. I. BIT NO. 4

CASE NO. 4708

Submitter J. L. Hamon

Heading Date 5-5-72

Diagrammatic Sketch of Proposed Completion
 State B-2330 No. 1 Salt Water Disposal Well.
 Section 31, T-16-S, R-36-E, La County



BEFORE EXAMINER
 OIL CONSERVATION COMMISSION

BIT NO. 6

CASE NO. 4708

Submitted by J. L. Haman

Hearing Date 5-5-72

Notes: Proposed S.W. disposal to be through perforations from 10,492' to 10,517' and open hole from 10,558' to 13,100'.

Case 4708

Form C-108
Revised 1-1-65NEW MEXICO OIL CONSERVATION COMMISSION
APPLICATION TO DISPOSE OF SALT WATER BY INJECTION INTO A POROUS FORMATION

OPERATOR Jake L. Hamon		ADDRESS 908 Vaughn Building, Midland, Texas 79701	
LEASE NAME State B-2330	WELL NO. 1	FIELD Shoebar, East Devonian	COUNTY Lea
LOCATION UNIT LETTER C ; WELL IS LOCATED 567 FEET FROM THE North LINE AND 1,977.7 FEET FROM THE West LINE, SECTION 31 TOWNSHIP 16-S RANGE 36-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	434	425	Surface	Visual
INTERMEDIATE	9-5/8	4,250	500	Est. 3,000	Calculated
LONG STRING	5-1/2	10,558	1st stage 300 2nd stage 500	4,600	Cement Bond Log
TUBING	2-3/8	10,415	NAME, MODEL AND DEPTH OF TUBING PACKER Baker Model "R" at 10,415		
NAME OF PROPOSED INJECTION FORMATION Pennsylvanian & Devonian			TOP OF FORMATION 10,492		BOTTOM OF FORMATION 13,100
IS INJECTION THROUGH TUBING, CASING, OR ANNULUS? Tubing		PERFORATIONS OR OPEN HOLES Perforations and open hole		PROPOSED INTERVAL(S) OF INJECTION 10,492-10,517; 10,558-13,100	
IS THIS A NEW WELL DRILLED FOR DISPOSAL? No		IF ANSWER IS NO, FOR WHAT PURPOSE WAS WELL ORIGINALLY DRILLED? Oil		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 5,900-6,100; 10,300-14; 10,322-38; 10,492-10,517					
DEPTH OF BOTTOM OF DEEPEST FRESH WATER ZONE IN THIS AREA 300		DEPTH OF BOTTOM OF NEXT HIGHER OIL OR GAS ZONE IN THIS AREA Leamex, Shoebar Field, 1-3/4 mi. West		DEPTH OF TOP OF NEXT LOWER OIL OR GAS ZONE IN THIS AREA None	
ANTICIPATED DAILY INJECTION VOLUME (BBLs.) 100	MINIMUM 1,500	MAXIMUM 1,500	OPEN OR CLOSED TYPE SYSTEM Closed	IS INJECTION TO BE BY GRAVITY OR PRESSURE? Pressure	APPROX. PRESSURE (PSI) 1,500
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 No			WATER TO BE DISPOSED OF Yes		NATURAL WATER IN DISPOSAL ZONE Yes
NAME AND ADDRESS OF SURFACE OWNER (OR LESSEE, IF STATE OR FEDERAL LAND) Mr. Scharbauer Eidson, Box 1286, Lovington, New Mexico 88260			LIST NAMES AND ADDRESSES OF ALL OPERATORS WITHIN ONE-HALF (1/2) MILE OF THIS INJECTION WELL		
Ashmun & Hilliard, 310 W. Texas, Suite 418, Midland, Texas 79701					
Mobil Oil Company, Box 1800, Hobbs, New Mexico 88240					
Humble Oil & Refining Company, Box 2100, Hobbs, New Mexico 88240					
Getty Oil Company, Box 249, Hobbs, New Mexico 88240					
HAVE COPIES OF THIS APPLICATION BEEN SENT TO EACH OF THE FOLLOWING?		SURFACE OWNER Yes (State)		EACH OPERATOR WITHIN ONE-HALF MILE OF THIS WELL Yes	
ARE THE FOLLOWING ITEMS ATTACHED TO THIS APPLICATION (SEE RULE 701-B)?		PLAT OF AREA No-already in your file		ELECTRICAL LOG No-already in your file	
				THE NEW MEXICO STATE ENGINEER 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.

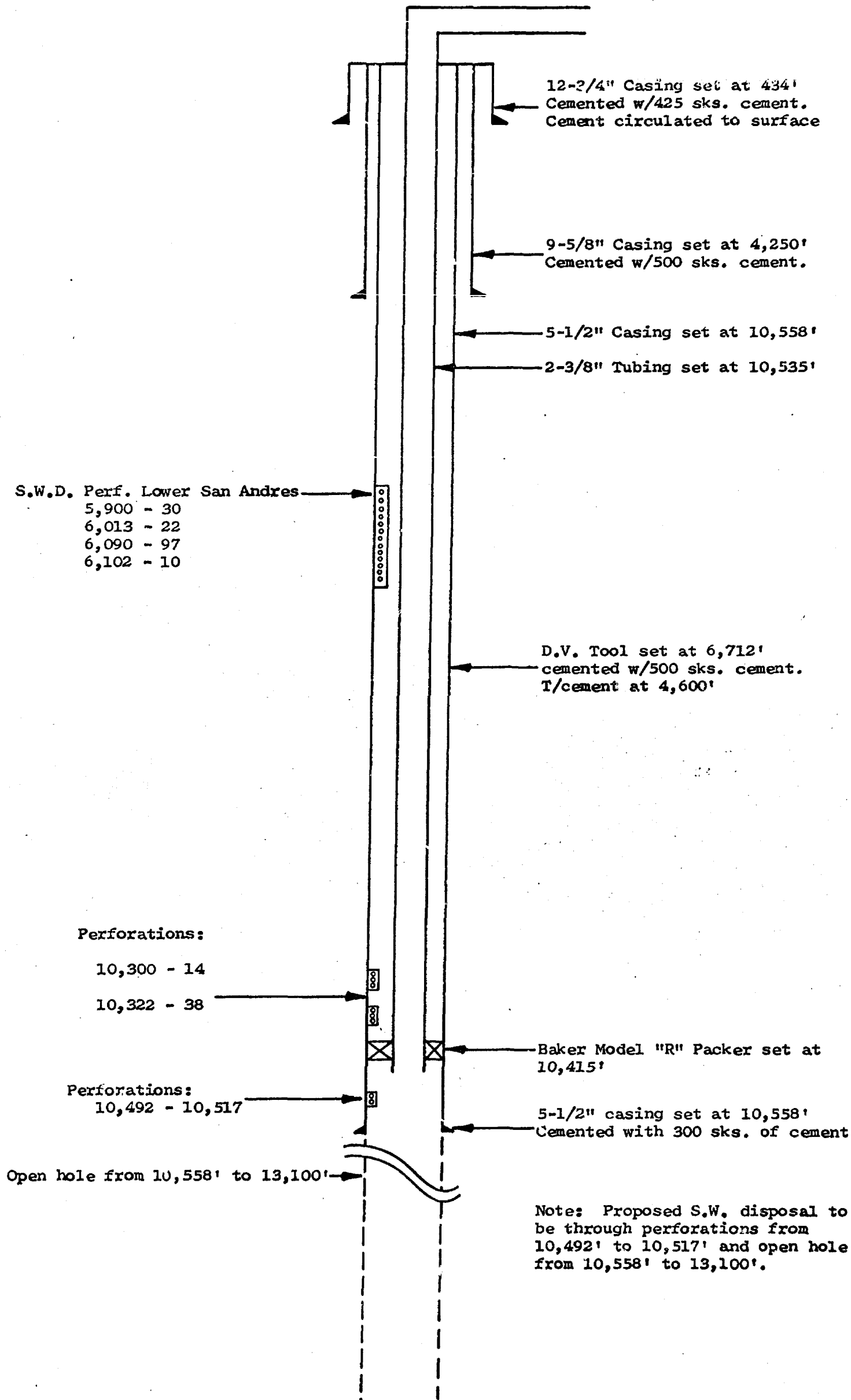
[Signature] **Production Superintendent** **April 10, 1972**
(Signature) (Title) (Date)

NOTE: Should waivers from the State Engineer, 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.

Water would be injected principally into the Devonian formation below water level in the Shoebar, East Devonian Field.

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approximately 10,415 feet; ~~that the casing-tubing annulus should be filled with an inert fluid, and that a pressure gauge should be attached to the annulus or the annulus left open at the surface in order to determine leakage in the casing, tubing, or packer.~~

(5) That approval of the subject application will prevent the drilling of unnecessary wells and otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Jake L. Hamon,
is hereby authorized to utilize ~~xxx~~ his State B-2330 Well No. 1,
located in Unit C of Section 31, Township 16 South, Range
36 East, NMPM, East Shoebar-Devonian ^{Pool} Field, Lea
County, New Mexico, to dispose of produced salt water into the
Pennsylvanian and Devonian formations injection to be accomplished through
2 3/8-inch tubing installed in a packer set at approximately
10,415 feet, with injection ~~into the~~ ^{into the} ~~and~~ ^{perforated} open-hole interval
from approximately 10,492 feet to 13,100 feet;

PROVIDED HOWEVER, ~~that the tubing shall be plastic lined,~~
~~that the casing-tubing annulus shall be filled with an inert~~
~~fluid, and that a pressure gauge shall be attached to the annulus~~
~~or the annulus left open at the surface in order to determine~~
~~leakage in the casing, tubing, or packer.~~

(2) That the applicant shall submit monthly reports of its disposal operations in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.

(3)
(4) 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.

That Administrative Order No SWD-105, which previously authorized disposal into other zones in this same well, is hereby rescinded.

DRAFT

GMH/dr

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

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

CASE No. 4708

Order No. R- 4307

APPLICATION OF JAKE L. HAMON
FOR SALT WATER DISPOSAL, LEA
COUNTY, NEW MEXICO.

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 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, Jake L. Hamon,
is the owner and operator of the State B-2330 Well No. 1,
located in Unit C of Section 31, Township 16 South, Range
36 East, NMPM, East Shoebar-Devonian, Lea
County, New Mexico.

(3) That the applicant proposes to utilize said well to
dispose of produced salt water into the Pennsylvanian and Devonian
formations, with injection into the ^{perforated} ~~into the~~ and open-hole interval
from approximately 10,492 feet to 13,100 feet.

(4) That the injection should be accomplished through
2 3/8 -inch ~~plastic lined~~ tubing installed in a packer set at