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CASE NO. 5338 Appli. AMERADA HES
CORPORATION for salt water dispos-
al, Lea County, New Mexico

CASE No.

5338

Application,

Transcripts,

Small Exhibits

ETC.

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
October 16, 1974

EXAMINER HEARING

IN THE MATTER OF:)

Application of Amerada Hess Corporation)
for salt water disposal, Lea County,)
New Mexico.)

CASE
5338

BEFORE: Richard L. Stamets, Examiner.

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the New Mexico Oil Conservation Commission: William Carr, Esq.
Legal Counsel for the Commission
State Land Office Building
Santa Fe, New Mexico

For Amerada Hess Corporation: Jason Kellahin, Esq.
KELLAHIN & FOX
500 Don Gaspar
Santa Fe, New Mexico

CASE 5338

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I N D E X

A. E. SNYDER

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Direct Examination by Mr. Kellahin

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SNYDER-DIRECT

CASE 5338

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MR. STAMETS: We will call the next Case, 5338.

MR. CARR: Case 5338, Application of Amerada Hess Corporation for salt water disposal, Lea County, New Mexico.

MR. KELLAHIN: Jason Kellahin of Kellahin and Fox appearing for the applicant; I have one witness I would like to have sworn.

MR. STAMETS: Are there any other appearances?
The witness will stand and be sworn, please.

(Whereupon, the witness was duly sworn.)

A. E. SNYDER

called as a witness, having been first duly sworn, was examined and testified as follows:

DIRECT EXAMINATION

BY MR. KELLAHIN:

Q Would you state your name, please?

A A. E. Snyder

Q By whom are you employed and in what position,
Mr. Snyder?

A I am employed by Amerada Hess Corporation and I
am Regional Manager of Tech Services in Seminole, Texas.

Q Have you ever testified before the Oil Conservation
Commission and made your qualifications as an expert petro-
leum engineer a matter of record?

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SANTA FE, NEW MEXICO 87501
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A Yes, sir.

MR. KELLAHIN: Are the witness' qualifications acceptable?

MR. STAMETS: They are.

BY MR. KELLAHIN:

Q Mr. Snyder, are you familiar with the application of Amerada Hess Corporation in Case 5338?

A Yes, sir.

Q What is proposed by Amerada Hess in this application?

A Basically we are asking for permission to dispose of produced salt water into the Siluro-Devonian formation through the Amerada State BTC No. 1, located in the southeast, southwest of Section 35, Township 11 South, Range 33 East.

Q Referring to what has been marked as Amerada's Exhibit No. 1, will you identify that exhibit, please?

A Exhibit No. 1 is a location plat of the area. Basically the Bagley field is a rather large field, and produces within a large geographical area from the Pennsylvanian zone, and a much smaller area from the Devonian interval at about 11,000 feet. On this plat we have designated the Devonian wells that either have or are producing,

with a circle around them, the other wells are Pennsylvanian wells. So the entire Devonian field, as it was initially, is shown on this map. The well in question is shown with a red arrow.

Q Now, referring to what has been marked as Exhibit No. 2, would you discuss that exhibit?

A Exhibit No. 2 narrows down the discussion to the Siluro-Devonian formation, and it is a structure map on top of the Silurian formation. Again, it has all of the wells marked on it that were drilled to the Devonian formation. The ones that are currently producing are indicated in red, with a red circle. The well that we propose to dispose of the salt water in Unit N of Section 35 is indicated with a red arrow. You will note that this well is high on the structure, it is above some of the wells that are still producing oil down structure, so it is a little unusual application from this standpoint. The water disposal well that we have been using is indicated in the southeast, northwest of Section 11, 12 South, 33 East as salt-water-disposal well No. 3. This well has a mechanical problem, and we will not be able to use it for further salt water disposal, so we are looking someplace where we can put a large volume of water and still produce the wells that we have.

The Devonian formation gives up about 10,000 barrels a day of produced water. There are some small amounts in the Pennsylvanian, but basically it is primarily Devonian water. We would propose to dispose of it into this BTC No. 1, into an interval in the Devonian below the producing interval on all of the other wells. This State BTC No. 1 is shut in and temporarily abandoned. I believe in March we came to the Commission and asked for permission to drill the BTC 1-A which is located in the southwest, southeast of Section 35, and reform the unit so that if the 80-acre proration unit for the BTC 1-A comes over and takes in the 40-acre proration unit this subject disposal well is on, so it is still dedicated to Devonian production.

Q Now, referring to what has been marked Exhibit No. 3, identify that, if you would?

A Exhibit No. 3 is a vertical section, it isn't exactly a cross section because it doesn't go across the field, it really simply takes in all of the remaining Devonian producing wells in the field. The subject well of disposal is State BTC No. 1 with a red circle around it at the top. The last producing interval in it is shown on the cross section from about minus 6422 to a minus 6502. Each of the wells across there show the current producing interval.

The well in times past has been perforated all the way to the base of the casing; we have gone in and squeezed off all of the perforations, tested the casing with a thousand pounds for about 20 minutes with no pressure lost, and we did deepen it 200 feet, and it will take water real good at that lower interval 200 feet from the base of the casing to a drilled out total depth of 11,180 feet.

The numbers across the bottom of the exhibit show the current rate of production, well, this is actually July production from the various wells in barrels of oil and barrels of water per day. The proposed injection interval as you see on this section is considerably below any of the producing intervals in any of the wells in the field.

The old salt water disposal well is shown on the extreme right hand of the exhibit with the injection interval in it, so it is comparable to the interval we proposed in this well. We have put about 21 million barrels of water into this old well before we developed mechanical problems with it.

Q You said that it will take water real good; will it take the water on a vacuum, do you think?

A Yes, we anticipate it will take up to 15,000 barrels of water probably on vacuum or with just treater

pressure of 35 pounds, or something like that.

Q Was that your experience in the old disposal well?

A Yes, sir.

Q Then you anticipate the same experience here?

A Yes.

Q Referring to Exhibit No. 4, would you explain that exhibit?

A Exhibit No. 4 is simply a schematic diagram of the proposed injection well showing the location of the surface casing at 320 feet with cement circulated, an intermediate string of ten-and-three-quarter at 3884 feet, with cement top at 730 feet. The long string of seven-and-five-eighths casing at 10,980 feet with cement top at 7755. We would propose running four-and-one-half inch tubing to 8,000 feet, set it on the packer. The tubing would be internally plastic coated. The diagram shows the old perforations in the Devonian all squeezed off and the new total depth at 11,180 feet or we would be disposing into open-hole intervals.

Q Referring to Exhibit No. 5, would you identify that exhibit?

A Exhibit No. 5 is a log of the proposed disposal well showing, marked in red, the top of the Devonian at

10,652 feet, the top of the Mississippian at 10,186 feet, and the top of the Pennsylvanian at 8592 feet.

Q Have you obtained waivers from any offset operators?

A The only other offset operator in the Devonian field at this time is Texas Pacific and we did obtain a waiver from them; that's Exhibit No. 6. They had no objection to the proposed disposal interval or the well.

Q Were Exhibits 1 through 5 prepared by you or under your supervision?

A Yes, sir.

Q And, Exhibit No. 6 is a copy of a letter received from Texas Pacific Oil Company?

A Yes, sir.

MR. KELLAHIN: At this time we offer into evidence Exhibits 1 through 6, inclusive.

MR. STAMETS: Exhibits 1 through 6 will be admitted.

(Whereupon, Exhibits 1 through 6

were admitted into evidence.)

BY MR. KELLAHIN:

Q Mr. Snyder, what is the source of the water you would inject in this well?

A Primarily it is from the Siluro-Devonian field, a

SNYDER-DIRECT
-CROSS

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small amount from the Pennsylvanian, but it all comes from the Bagley field, from other producing wells.

Q And for the most part is it being injected into the same formation from which it came?

A Yes.

Q What volume do you anticipate you will inject?

A Currently about 10,000 barrels a day, although we do anticipate running some high-volume-lift equipment on some of the wells and probably will go as high as 15,000 barrels a day.

Q Then you do not anticipate any high pressures in this injection well?

A No.

MR. KELLAHIN: That completes the direct testimony.

CROSS EXAMINATION

BY MR. STAMETS:

Q Mr. Snyder, were you the operator of the No. 3 salt water disposal well?

A Yes, sir.

Q Do you know what the nature of the mechanical problem was on that well?

A We started in checking out wells according to the Commission memorandum where all salt water disposal wells

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need to be checked by September 1st, I believe, and we indicated that we had a tubing leak, so when we started repairing the tubing leak, the tubing was actually eaten up pretty bad and we ended up with fish in the hole that we couldn't recover. We can still inject into it, but it's not telling where it's going. We have not plugged and abandoned the well yet, we're working with the local Commission office in Hobbs on that.

Q Exhibit No. 4 you show the top of the cement above the packer; do you have that cement top and how was that determined?

A It was determined by a temperature survey after the casing was set.

Q Do you know what that figure is for the top of the cement?

A Yes, it's 7755. I believe it shows right down at the bottom of the exhibit.

Q Oh, all right.

A So we would be putting the packer 250 to 300 feet below the top of the cement.

Q And, the packer would be about 8,000 feet?

A Yes, sir.

Q Are there any Pennsylvanian producers offsetting

the proposed injection well, any active producers?

A Yes, sir, the direct north offset is still a Pennsylvanian producer.

Q And that's operated by Amerada?

A Yes, sir.

Q Mr. Snyder, if the injection is likely to be on a vacuum, that would make installation of the gauge somewhat superfluous on the casing tubing annulus; is there some other method of testing which could be instituted which would aid everybody in determining that there was no leakage of the tubing?

A I don't know exactly how we might go about this; we've given it some thought and, of course, we will -- behind the packer we will pack the entire annular space with a treated fluid, oil or a treated brine, and leave it completely full, and open at the top so we can check it, and pump into it occasionally, see if we can pump in, have a pressure gauge on it, so between the two we think we will be able to tell if a leak develops in the tubing, the fluid level would go down on this.

Q Do you have a simple method of pressuring up on the annulus?

A Yes, we have a little portable pump we carry around

that we can test these kind of things.

Q And this is the sort of test the Commission could witness?

A Yes.

Q An annual test or a semi-annual test?

A As often as is required; we would probably want to do it a couple of times a year.

Q Would a gauge installed on the annulus show anything if you had a leak in this well?

A Probably not, as long as it is taking water on vacuum it would probably not indicate. If you opened it, took the gauge off sometime and had a vacuum on the annulus you would be suspicious then that you had a leak.

MR. STAMETS: Are there any other questions of this witness? You may be excused.


Anything further in this Case?

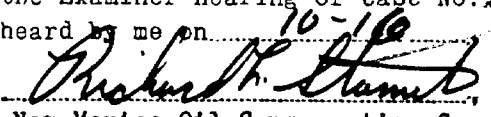
MR. KELLAHIN: That's all we have, Mr. Stamets.

MR. STAMETS: We will take the Case under advisement.

STATE OF NEW MEXICO)
) SS.
COUNTY OF SANTA FE)

I, SIDNEY F. MORRISH, Court Reporter, do hereby certify that the foregoing and attached Transcript of Hearing before the New Mexico Oil Conservation Commission was reported by me, and the same is a true and correct record of the said proceedings, to the best of my knowledge, skill and ability.


SIDNEY F. MORRISH, Court Reporter

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 5338 heard by me on 10-16-74 1974

Richard H. Hammett, Examiner
New Mexico Oil Conservation Commission

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OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

P. O. BOX 2088 - SANTA FE

87501

October 30, 1974

I. R. TRUJILLO
CHAIRMAN

LAND COMMISSIONER
ALEX J. ARMUJO
MEMBER

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

Mr. Jason Kellahin
Kellahin & Fox
Attorneys at Law
Post Office Box 1769
Santa Fe, New Mexico

Re: CASE NO. 5338

ORDER NO. R-4891

Applicant:

Amerada Hess Corporation

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

ALP/ir

Copy of order also sent to:

Hobbs OCC x
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. 5338
Order No. R-4891

APPLICATION OF AMERADA HESS CORPORATION
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 October 16, 1974, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 29th day of October, 1974, 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, Amerada Hess Corporation, is the owner and operator of the State BTC Well No. 1, located in Unit N of Section 35, Township 11 South, Range 33 East, NMPM, Bagley Siluro-Devonian Pool, Lea County, New Mexico.

(3) That the applicant proposes to utilize said well to dispose of produced salt water into the Devonian formation, with injection into the open-hole interval below the producing horizon in the Bagley Siluro-Devonian Pool from approximately 10,980 feet to 11,180 feet.

(4) That the injection should be accomplished through 4 1/2-inch plastic-lined tubing installed in a packer set at approximately 8000 feet and that the casing-tubing annulus should be filled with an inert fluid.

(5) That in order to detect leakage in the casing, tubing, or packer, semi-annual pressure tests should be taken on the casing-tubing annulus in said well with the Hobbs district office of the Commission being advised of the date and time of such tests.

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CASE NO. 5338
Order No. R-4891

(6) 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:

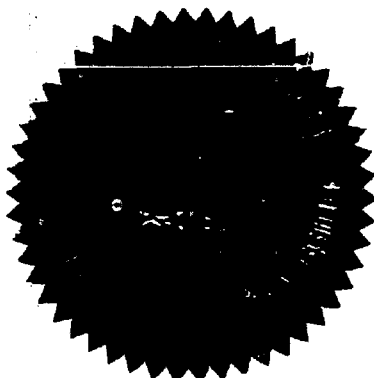
(1) That the applicant, Amerada Hess Corporation, is hereby authorized to utilize its State BTC Well No. 1, located in Unit N of Section 35, Township 11 South, Range 33 East, NMPM, Bagley Siluro-Devonian Pool, Lea County, New Mexico, to dispose of produced salt water into the Devonian formation, injection to be accomplished through 4 1/2-inch tubing installed in a packer set at approximately 8000 feet, with injection into the open-hole interval from approximately 10,980 feet to 11,180 feet;

PROVIDED HOWEVER, that the tubing shall be plastic-lined; that the casing-tubing annulus shall be filled with an inert fluid; 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; and that the operator shall conduct semi-annual pressure tests on the casing-tubing annulus advising the Hobbs district office of the Commission of the date and time of such tests in order that they may be witnessed.

(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 showing in addition, thereon, the date and results of the last semi-annual pressure test.

(3) 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 herein-above designated.



S E A L

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

I. R. TRUJILLO, Chairman

ALEX J. ARMISTEAD, Member

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

jr/

Pocket No. 30-74

Dockets Nos. 30-74 and 31-74 are tentatively set for hearing on October 30 and November 13, 1974. Application for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - OCTOBER 16, 1974

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

The following cases will be heard before Richard L. Stamets, Examiner, or Daniel S. Nutter, Alternate Examiner:

- ALLOWABLE: (1) Consideration of the allowable production of gas from seventeen prorated pools in Lea, Eddy, Roosevelt, and Chaves Counties, New Mexico, for November, 1974;
- (2) Consideration of the allowable production of gas from five prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico, for November, 1974.

CASE 5304: (Continued from the September 4, 1974, Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Mercury Production Company, American Employers' Insurance Company and all other interested parties to appear and show cause why the Mercury State Well No. 1 located in Unit E of Section 27, Township 10 South, Range 26 East, Chaves County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 5292: (Continued from the September 18, 1974, Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit El Paso Natural Gas Company, United States Fidelity and Guaranty Co., and all other interested parties to appear and show cause why each of the following wells should not be plugged and abandoned in accordance with a Commission-approved plugging program:

EPNG Ludwick Well No. 11, located in Unit B, Section 19, Township 30 North, Range 10 West, San Juan County, New Mexico;

EPNG Rincon Unit Well No. 127, located in Unit A, Section 28, Township 27 North, Range 6 West, Rio Arriba County, New Mexico; and

EPNG Warren A Well No. 2, located in Unit A, Section 23, Township 28 North, Range 9 West, San Juan County, New Mexico.

CASE 4976: (Reopened) (Continued from the October 2, 1974, Examiner Hearing)

In the matter of Case No. 4976 being reopened pursuant to the provisions of Order No. R-450 to permit all operators in the West Parkway-Strawn

(Case 4976 continued from Page 1)

and West Parkway-Atoka Gas Pools in Section 28, Township 19 South, Range 29 East, Eddy County, New Mexico, to appear and present evidence to clearly establish the nature of the reservoirs, proper rates of production for wells therein, and special rules therefor.

CASE 5313: (Continued and Readvertised)

Application of El Paso Natural Gas Company for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Aztec-Pictured Cliffs and Blanco-Mesaverde production in the wellbore of its Ludwick Well No. 11 located in Unit B of Section 19, Township 30 North, Range 10 West, San Juan County, New Mexico.

CASE 5338: Application of Amerada Hess Corporation for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced water into the Devonian formation through the open-hole interval from 10,980 feet to 11,180 feet in its State BTC Well No. 1, located in Unit N of Section 25, Township 11 South, Range 33 East, Bagley Siluro-Devonian Pool, Lea County, New Mexico.

CASE 5339: Application of John L. Cox for salt water disposal, Lea County, New Mexico. Applicant in the above-styled cause, seeks authority to dispose of produced salt water into the San Andres formation through the open-hole interval from approximately 4989 feet to 5017 feet in his U.S.M. Well No. 2, located in Unit H of Section 27, Township 9 South, Range 37 East, West Sawyer-San Andres Pool, Lea County, New Mexico.

CASE 5340: Application of Atlantic Richfield Company for a dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of its State BR Well No. 1, located in Unit K of Section 16, Township 21 South, Range 26 East, Eddy County, New Mexico, in such a manner as to produce gas from an undesignated Atoka gas pool through the tubing and gas from an undesignated Morrow gas pool through the casing-tubing annulus by means of a cross-over assembly.

CASE 5341: Application of Texas Oil & Gas Corporation for an unorthodox location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Williamson Fed. Well No. 3, located 660 feet from the North line and 1980 feet from the East line of Section 9, Township 20 South, Range 29 East, NMPM, Burton Flats-Morrow Gas Pool, Eddy County, New Mexico, the E/2 of said Section 9 to be dedicated to the well.

CASE 5342: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Leon Davis, Fidelity and Deposit Company of Maryland, and all other interested parties to appear and show cause why the New Mexico State "Heart" Well No. 1, located in Unit J of Section 16, Township 14 North, Range 32 East, NMPM, Harding County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 5343: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Paul Haskins, Trustee and Continental Casualty Company, and all other interested parties to appear and show cause why the Arthur Cain Well No. 1, located in Unit N of Section 4, Township 15 North, Range 33 East, Harding County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 5344: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit American Fuels Corporation and Aetna Casualty and Surety Company, and all other interested parties, to appear and show cause why the following American Fuels Wells on the W-S Ranch in Colfax County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program:

NM-B Well No. 1, located in Unit G of Section 6, Township 30 North, Range 19 East;

NM-B Well No. 2, located in Unit P of Section 16, Township 30 North, Range 18 East;

NM-B Well No. 4, located in Unit H of Section 18, Township 30 North, Range 18 East;

NM-B Well No. 5, located in Unit P of Section 30, Township 30 North, Range 19 East; and

NM-B Well No. 10, located in Unit N of Section 24, Township 31 North, Range 19 East.

CASE 5345: Application of Texaco, Inc. for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of production from the Fusselman, Montoya, and Ellenburger formations, North Justis Field, in the wellbore of its G. L. Erwin "B" Fed. (NCT-2) Well No. 5, located in Unit P of Section 35, Township 24 South, Range 37 East, Lea County, New Mexico.

CASE 5346: Application of Continental Oil Company for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of production from the Blinbry formation and the East Warren-Drinkard Pool in the wellbore of its Warren Unit Well No. 11, located in Unit A of Section 35, Township 20 South, Range 38 East, Lea County, New Mexico.

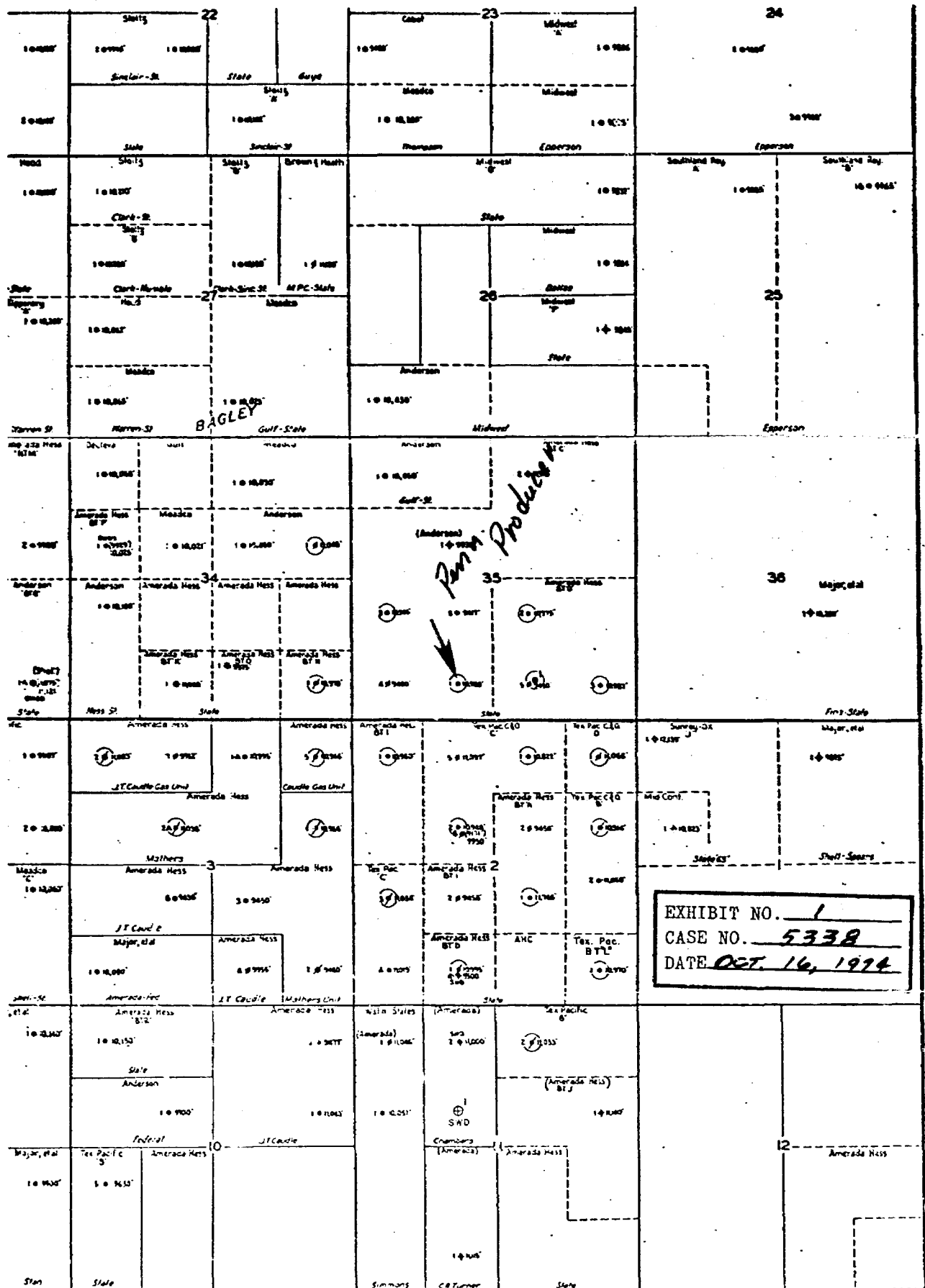
CASE 5347: Application of Continental Oil Company for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of production from the West Warren-Blinbry and East Skaggs-Drinkard Pools in the wellbore of its SEMU Berger Well No. 21, located in Unit O of Section 19, Township 20 South, Range 38 East, Lea County, New Mexico.

Examiner Hearing - Wednesday - October 16, 1974

Docket No. 29-74

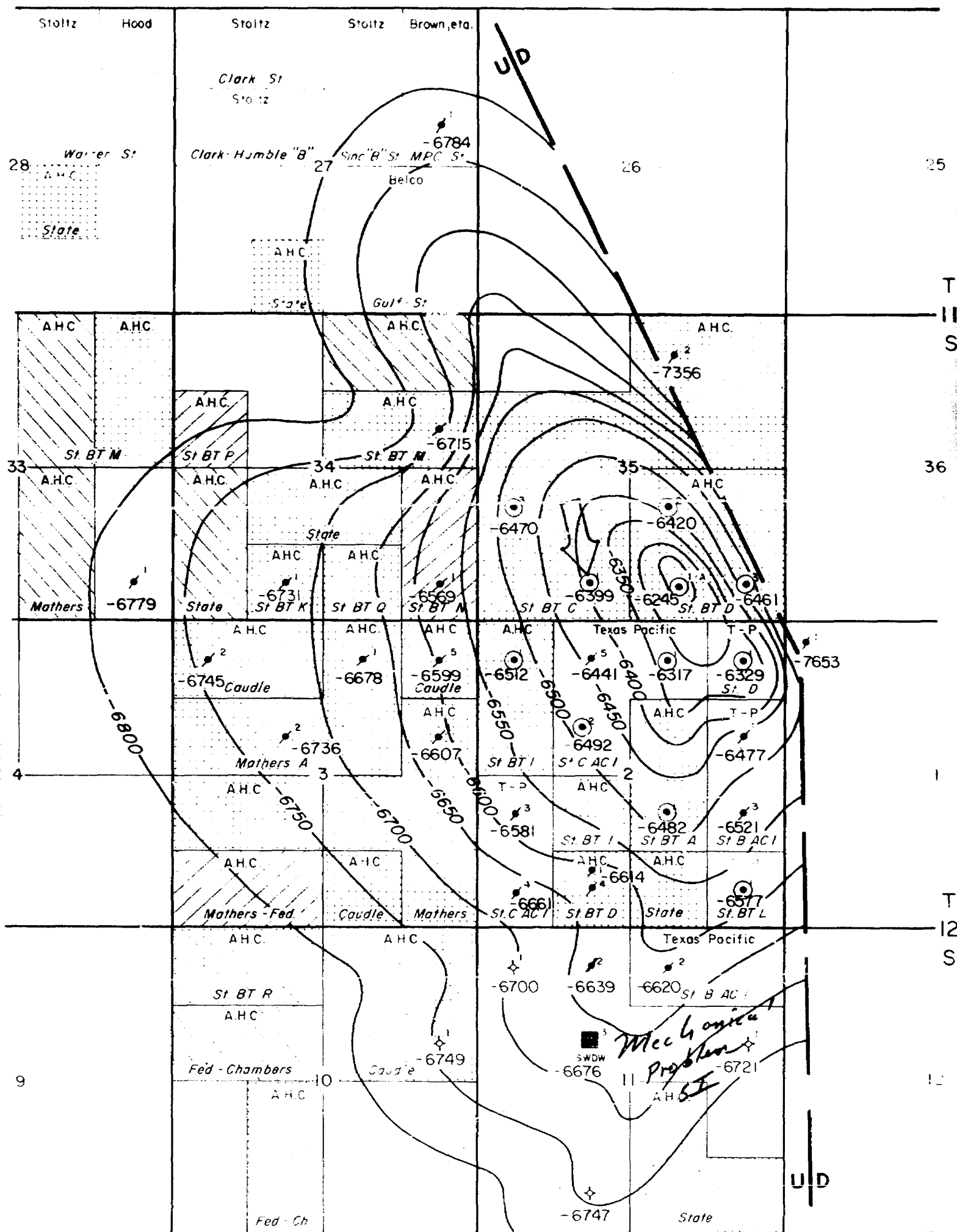
-4-

CASE 548: Application of Continental Oil Company for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of production from the Blinebry and Drinkard Pools in the wellbores of its Elliott B Well No. 6, located in Unit J of Section 6, Township 22 South, Range 37 East, and its Lockhart B-1 Well No. 9, located in Unit I of Section 1, Township 22 South, Range 36 East, both in Lea County, New Mexico.



● Devonian Wells
 ● Penn Wells

BAGLEY FIELD
 T 11-12 S R 33 E
 LEA COUNTY, NEW MEXICO



Abandoned
Producer

BEFORE EXAMINER
OIL CONSERVATION COMMISSION

amended EXHIBIT NO. 2

CASE NO. 5338

Submitted by andy bryde

Hearing Date 10-16-74

EXHIBIT NO. 2

CASE NO. 5338

DATE OCT 16, 1974

BAGLEY FIELD

Lea County, New Mexico

STRUCTURE MAP

Top Siluro-Devonian

C.I. = 50'

Geol by: Wendell Edgell

Date: 9-24-74

Amerada Hess Corporation
STATE BTC No. 1
Unit N, 660' FSL & 1980' FWL Sec 35-T11S-R33E
Bagley Siluro-Devonian Field
Lea County, New Mexico
Elevation = D.F. 4252'

16" Csg. @ 320' w 350 Sx.
Cement Circulated

10 3/4" Csg. @ 3884' w 1500 Sx.
Cement Top @ 730'

4 1/2" Tbg. @ 8000'

Packer

BEFORE EXAMINER STAMETS
OIL CONSERVATION COMMISSION

Amerada EXHIBIT NO. 4

CASE NO. 5338

Submitted by Andy Lynch

Hearing Date 10.16.74

Top of Devonian @ 10,652'

Old Perfs. 10,674' - 10,979'
Squeezed off w cement.

Proposed SWD Interval
10,980' to 11,180' in
Open Hole.

Old TD
10,980'

New TD
11,180'

7 5/8" Csg. @ 10,980' w 900 Sx.
Cement Top @ 7755'

EXHIBIT NO. 4
CASE NO. 5338
DATE OCT. 16, 1974

1755 by Pump survey
Plastic Coat

TEXAS PACIFIC OIL COMPANY, INC.

P. O. Box 4067
Midland, Texas 79701

1974 SEP 30 PM 8:30

September 27, 1974

Amerada Hess Corp.
Drawer 817
Seminole, Texas 79360

Attention: Mr. A. E. Snyder

Gentlemen:

Enclosed are the waivers you requested concerning your conversion of the
State BTC No. 1 to salt water disposal.

Yours very truly,

TEXAS PACIFIC OIL COMPANY, INC.

R. J. Womack

R. J. Womack
District Manager

WCY:pm
Enclosures

BEFORE EXAMINER STAMETS
OIL CONSERVATION COMMISSION

amerada EXHIBIT NO. 6
CASE NO. 5338

Submitted by *andy Snyder*
Hearing Date 10-16-74

EXHIBIT NO. 6
CASE NO. 5338
DATE OCT. 16, 1974

Amerada Hess Corporation
P. O. Drawer 817
Seminole, Texas

Attention: Mr. A. E. Snyder

Gentlemen:

As an offset operator, we have no objections to your application to dispose of salt water into the Lower Devonian Zone from 10,980' to 11,180' in your State BTC No. 1, Unit N, Section 35-T11S-R33E, Bagley Siluro-Devonian Field, Lea County, New Mexico.

by RJ Womack rw
Date 9-27-74

Texas Pacific Oil Company

OIL CONSERVATION COMMISSION
Hobbs DISTRICT

OIL CONSERVATION COMMISSION
BOX 2088
SANTA FE, NEW MEXICO

DATE Sept. 27, 1974

RE: Proposed MC _____
Proposed DHC _____
Proposed NSL _____
Proposed SWD X _____
Proposed WFX _____
Proposed PMX _____

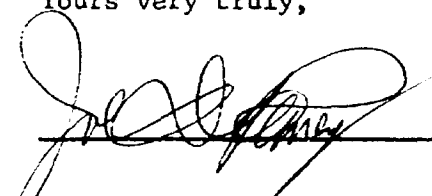
Gentlemen:

I have examined the application dated _____
for the Amerada Hess Corp. State BT "C" #1-N 35-11-33
Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

O.K.-Verbal to proceed at operator's risk. Hearing required by 701---J.D.R.

Yours very truly,



File

Set for hearing 10/16/74

Case 5338

AMERADA HESS CORPORATION

DRAWER 817
SEMINOLE, TEXAS 79360
915-758-5805

September 25, 1974

New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: Application to Dispose of Salt Water
in the Bagley Siluro-Devonian Field,
Lea County, New Mexico

Gentlemen:

Amerada Hess is the owner and operator of the State BTC Well No. 1, a temporarily abandoned Siluro-Devonian Well located in Unit N, Section 35-T11S-R33E, Lea County, New Mexico. We propose to cement squeeze the old producing perforations from 10,674' to 10,979', deepen from 10,980' to 11,180' and dispose of about 15,000 barrels per day at low pressure into the Lower Devonian open hole section. Source of the water is other Siluro-Devonian and Pennsylvanian Wells in the Bagley Field.

Attached are a plat of the area, log of the proposed injection well and a sketch of the well equipment, etc.

We would like for this case to be set for hearing on the October 16, 1974 docket.

Yours truly,

A. E. Snyder

A. E. Snyder
Manager, Technical Services

AES/hc

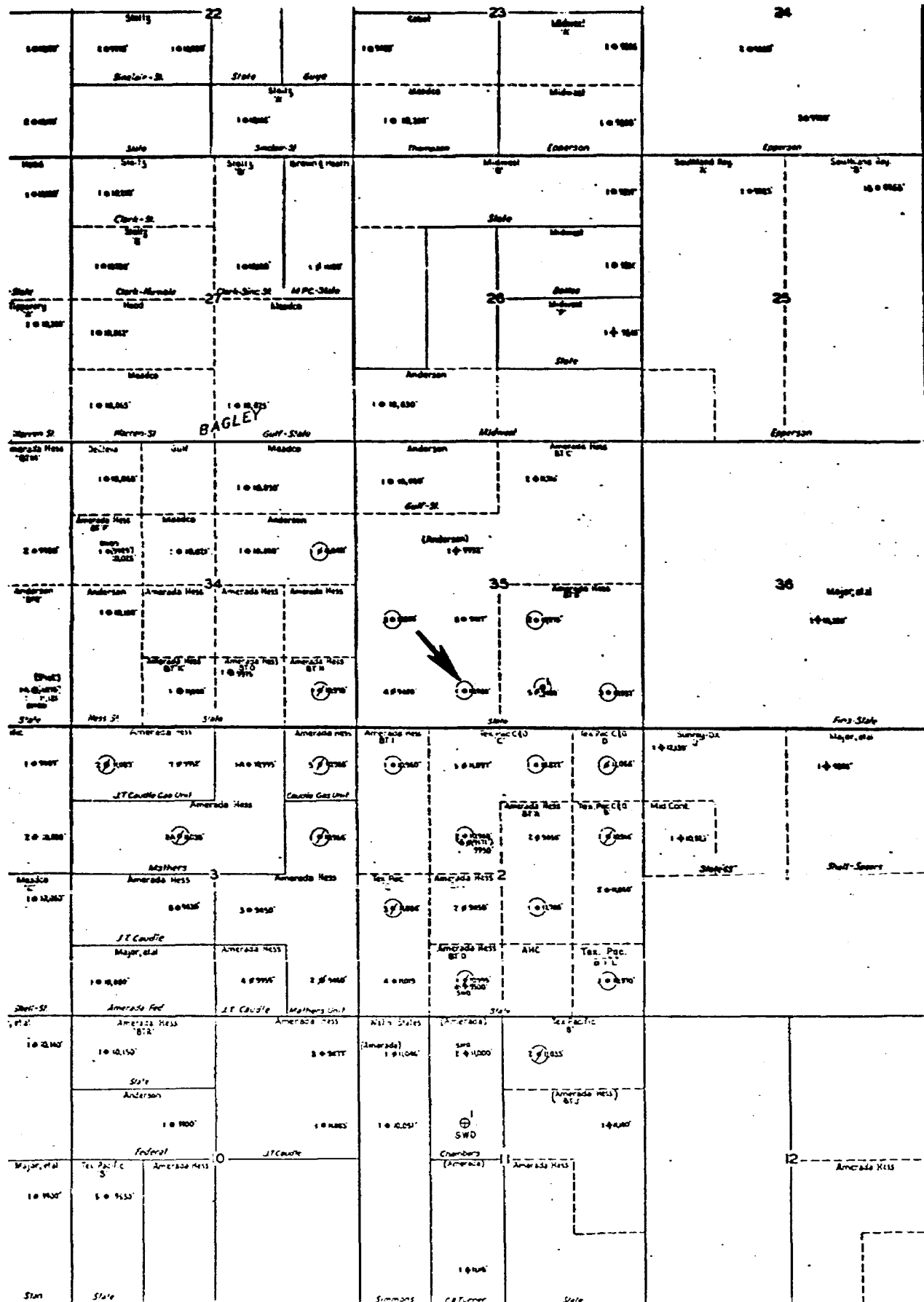
cc: Mr. Joe D. Ramey
New Mexico Oil Conservation Commission
P. O. Box 1980
Hobbs, New Mexico 88240

Mr. Bill Young
Texas Pacific Oil Company
P. O. Box 4067
Midland, Texas 79701

Mr. Jason Kellahin
Kellahin & Fox
P. O. Box 1769
Santa Fe, New Mexico 87501

DOCKET MAILED

Date _____

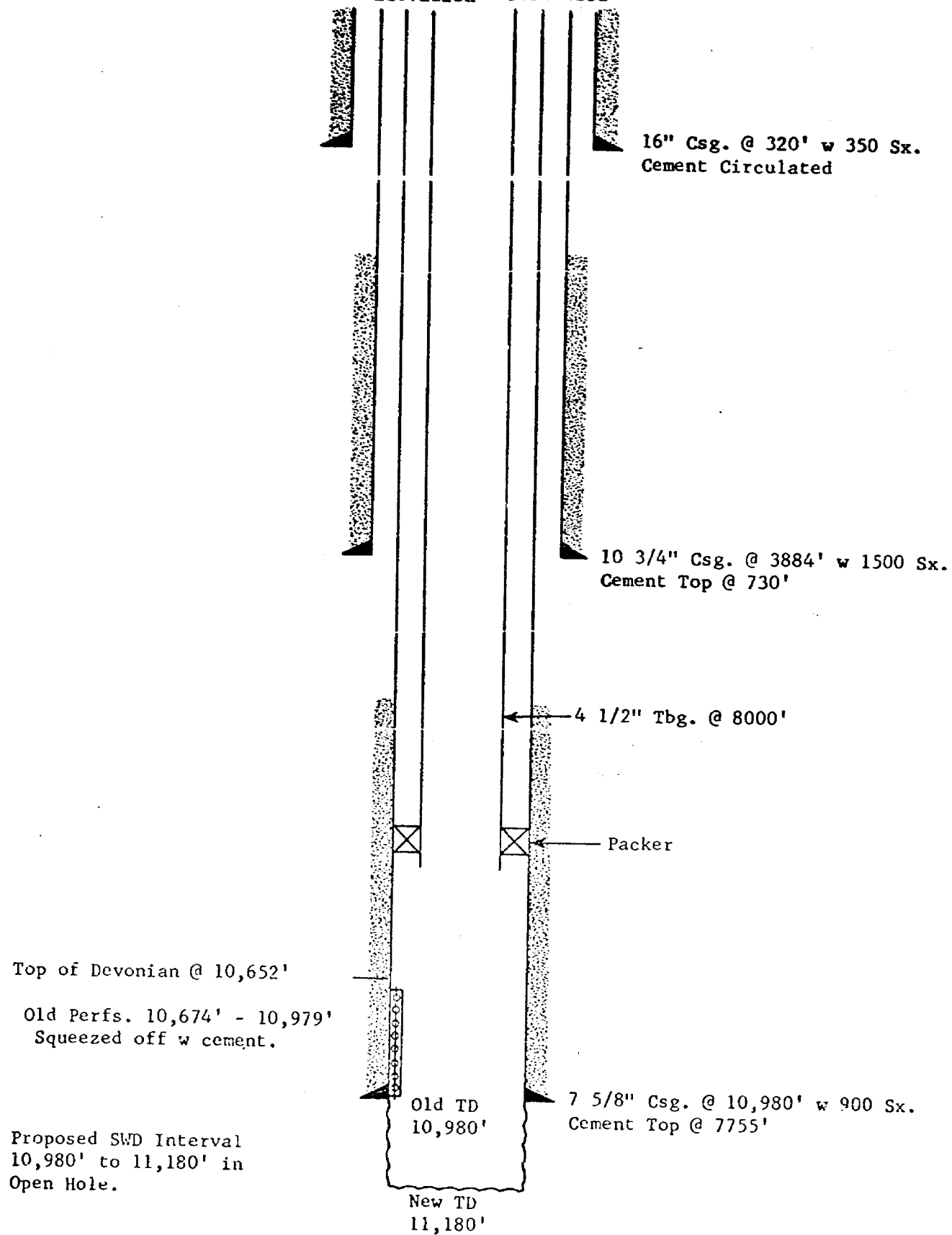


● Devonian Wells
 • Penn Wells

BAGLEY FIELD
 T 11-12 S R 33 E
 LEA COUNTY, NEW MEXICO

22.38

Amerada Hess Corporation
 STATE BTC No. 1
 Unit N, 660' FSL & 1980' FWL Sec 35-T11S-R33E
 Bagley Siluro-Devonian Field
 Lea County, New Mexico
 Elevation = D.F. 4252'



DRAFT

dr/

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. 5338

Order No. R- 4891

APPLICATION OF AMERADA HESS CORPORATION
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 October 16, 1974, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this _____ day of _____, 1974, 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, Amerada Hess Corporation, is the owner and operator of the State BTC Well No. 1, located in Unit N of Section 35, Township 11 South, Range 33 East, NMPM, Bagley Siluro-Devonian Pool, Lea County, New Mexico.

(3) That the applicant proposes to utilize said well to dispose of produced salt water into the Devonian formation, with injection into the open-hole interval below the producing horizon in The Bagley Siluro-Devonian Pool from approximately 10,980 feet to 11,180 feet.

(4) That the injection should be accomplished through 4 1/2-inch plastic-lined tubing installed in a packer set at

CASE No. _____

approximately 8000 ^{and} feet; that the casing-tubing annulus should be filled with an inert fluid, ~~and that a pressure gauge should be~~

(5) That in order to detect leakage in the casing, tubing, or packer, ~~semi-annual~~ ^{periodic} pressure tests should be taken on the casing-tubing annulus ~~and the district office of the Commission being advised of the date and time of such tests.~~
see under ↓

(1) That the applicant, _____ is hereby authorized to utilize its State BTC Well No. 1, located in Unit N of Section 35, Township 11 South, Range 33 East, NMPM, Bagley Siluro-Devonian Pool, Lea County, New Mexico, to dispose of produced salt water into the Devonian formation, injection to be accomplished through 4 1/2-inch tubing installed in a packer set at approximately 8000 feet, with injection into the open-hole interval from approximately 10,980 feet to 11,180 feet;

PROVIDED HOWEVER, that the tubing shall be plastic-lined; that the casing-tubing annulus shall be filled with an inert fluid; ~~and~~ ^{may shall} 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; ~~and~~ ^{and} that the operator

shall conduct semi-annual pressure tests on the casing-tubing annulus advising the Hobbs District Office of the Commission of the date and time of such tests in order that they may be witnessed.
see under ↓

DONE at Santa Fe, New Mexico
designated.

DAN NUTTER

Amrad Hess Corp
SWD Rea

State BTC Well No 1

N 35-11S-33E

Bagley Siluro-Dev
into Devonian formation
open hole 10,980
11,180

Andy Snyder - Tulsa