

CASE NO. 5339 Appli. JOHN L. COX
salt water disposal, Lea County

CASE No.

5339

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 John L. Cox for salt)
water disposal, Lea County, New Mexico.)
)

CASE
5339

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 John L. Cox:

Jason Kellahin, Esq.
KELLAHIN & FOX
500 Don Gaspar
Santa Fe, New Mexico

I N D E X

BILL C. COTNER

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MR. STAMETS: We will call the next Case, 5339.

MR. CARR: Case 5339, Application of John L. Cox
for salt water disposal, Lea County, New Mexico.

MR. KELLAHIN: If the Commission please, Jason
Kellahan or Kellahin and Fox, appearing for the Applicant.
There is one witness to be sworn.

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

(Whereupon, the witness was duly sworn.)

BILL C. COTNER

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 Bill Cotner.

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

A I'm a consulting geologist for John L. Cox.

Q In addition to that, do you have any interest in
the well that is the subject of this application?

A I have a working interest in the well.

Q Mr. Cotner, would you spell your name, please?

COTNER-DIRECT

CASE 5339

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A C-O-T-N-E-R.

Q Have you ever testified before the Oil Conservation Commission and one of its examiners?

A Yes, I have.

Q And qualified as a geologist?

A Yes, sir.

MR. KELLAHIN: Are the witness' qualifications acceptable?

MR. STAMETS: They are.

BY MR. KELLAHIN:

Q Mr. Cotner, are you familiar with the application of John L. Cox in Case 5339?

A Yes, sir, I am.

Q What is proposed by the applicant in this Case?

A To convert the John L. Cox U.S.M. No. 2 Well to a salt water disposal in the perforated zone between 4989 feet to 5,017 feet.

Q Now referring to what has been marked as the Applicant's Exhibit No. 1, would you identify that exhibit, please?

A That is a top of the Slaughter zone porosity map showing the producing wells in the area.

Q And what does it reflect as to the structural

position of your proposed disposal well?

A The U.S.M. No. 2 is structurally lower.

Q That is the well that is circled in red, is that correct?

A Yes, sir, than the other producing wells.

Q All of the other wells shown on the exhibit, are they producing from the same formation?

A Yes.

Q In which you propose to inject?

A Yes, the San Andres formation.

Q Will your injection actually be below the producing interval in the producing well?

A Yes, sir.

Q Now, the red line on there, what does that indicate?

A That's a cross section I prepared to show the producing interval, and the disposal in it.

Q Now, that's shown on Exhibit No. 2?

A Yes, sir.

Q Will you discuss the information shown on Exhibit No. 2, please?

A Wil-Mac Oil Company drilled a well in the southwest, southwest of 26, and topped the San Andres porosity at 1,052 feet. They set pipe on this well and perforated the

interval that is shown from 5,020 feet to 5,040 feet, and swab tested 30 to 50 barrels of salt water per day with a scum of oil.

John L. Cox drilled the U.S.M. No. 2, cemented surface casing at 428 feet with 375 sacks which circulated the cement. They cemented a four-and-a-half casing at 5,080 feet with 250 sacks, the top of the cement was at 4,000 feet. He perforated the interval shown from 4989 to 5,017 feet, he treated the well, and the well produced between 4 barrels and 10 barrels of oil a day and 130 barrels of water per day.

The John L. Cox No. 1 U.S.M. was completed between 4976 and 4992 and it is currently producing 50 barrels of oil per day and 30 barrels of water per day, and it is shown on the plat, Exhibit 1 as structurally higher than the U.S.M. No. 2.

Q What is the present condition of the U.S.M. 12?

A The present condition of the U.S.M. No. 2?

Q Yes, sir, your proposed injection well.

A It has been temporarily abandoned and the tubing removed from the well.

Q Have you made any tests of the well to determine if you can dispose of water in it?

A Yes, sir, we pumped away approximately 450 barrels

of water; we loaded the hole and it immediately took it on vacuum, and it indicated that it would take from 3 to 400 barrels of water a day on a vacuum.

Q How much water do you anticipate that you will dispose in this well if it is approved for disposal?

A We have approximately 7 producing wells in the area, and daily we would have a volume of water between 200 and 250 barrels per day.

Q Do you anticipate that this disposal well will take that volume on a vacuum?

A Yes, sir.

Q All of the water, then, is coming from the same formation in which you will inject it?

A Yes, sir, it is produced San Andres water.

Q How do you propose to complete your well for salt water disposal?

A By setting a packer approximately 4900 feet, and using plastic-lined tubing.

Q And what is the casing and cementing program on the well at the present time?

A The four-and-a-half casing was cemented at 5,080 feet with 250 sacks and the top of the cement by temperature survey was 4,000 feet. Surface casing was circulated at

428 feet.

Q So your packer would be set below the top of the cement?

A Yes, sir, in a four-and-a-half casing.

Q How were the casing tops determined?

A With a temperature survey.

Q With a temperature survey, and, of course, the surface string cement was circulated?

A Yes.

Q Now, do you anticipate any problem in obtaining the necessary tubing to complete this well bore injection as required by the Commission?

A Yes, sir, tubing has become very difficult to obtain, and it may be a month or so before we locate plastic-lined tubing.

Q Meanwhile do you have any problem with salt water disposal?

A It is costing us about \$1500 a month to truck what water we are producing now away.

Q Would you ask the Commission to enter a temporary order permitting you to inject in the open hole in this well until the tubing can be obtained or for some reasonable length of time?

A Well, yes, sir, we would like to make that request.

Q Were Exhibits 1 and 2 prepared by you or under your supervision?

A They were prepared by William J. Henry, a consulting geologist in Midland under my supervision.

Q Have you inspected them, and in your opinion do they correctly reflect this situation involving this well?

A Yes, sir.

Q Now, referring to what has been marked as Exhibits No. 4 and 5, are those waivers you have obtained from the offset operators?

A Yes, sir, they are.

Q That would be Flag Redfern Oil Company and Oil Development Company of Texas, is that correct?

A Yes, sir, that is correct.

Q Are there any other offset operators?

A Meadco Properties of which I am the sole owner; we signed the waiver.

Q You have no objection to the --

A (Interrupting) No, sir.

MR. KELLAHIN: At this time I would like to offer into evidence Exhibits 1 through 5 inclusive.

MR. STAMETS: Exhibits 1 through 5 will be admitted.

(Whereupon, Exhibits 1 through 5, inclusive, were admitted into evidence.)

MR. KELLAHIN: That completes the direct examination, Mr. Stamets.

CROSS EXAMINATION

BY MR. STAMETS:

Q Mr. Cotner, does your Exhibit No. 1 reflect all of the wells in this area, including wells to shallower or deeper zones?

A To my knowledge they do; there might be a couple of windmill water wells approximately 40 feet deep that are not on there. You note that in the southeast Section 22, we have two locations that we are fixing to drill, and Flag Redfern has been drilling over in Section 23.

Q Referring to the plugged and abandoned well down to the southeast of the proposed injection well, do you know if that has a cement plug set above the Slaughter porosity?

A Yes, sir, I checked into the possibility of re-entering this particular well and, to see if it would make a producer because of the show of oil that they did encounter, and they had cut the casing off and had properly plugged it

according to an Oil Commission report.

Q Had casing been set through the Slaughter pay?

A Yes, sir.

Q And then there is a plug set up in the top of the shot-off casing?

A Yes, sir. I do not have at this time where the casing was cut off, but they had placed plugs over the perforations and in the stub of the casing where they had cut it off, and, of course, they had placed one in the bottom of the surface casing, and there was a marker on the well.

Q It should be reflected in the Commission's records?

A Yes, sir, it would be, because that is where I got this information.

Q Looking at Exhibit 1 I don't see any other plugged and abandoned wells in any proximity to the proposed injection well. There does not appear that there would be another well where leakage of injected water could occur?

A Right, the only other disposal well in the area is Coastal States located in the southeast of the northwest of Section 33, to the southwest of our proposed location two miles, and you might note there that the top of the Slaughter zone is considerably higher than where we propose to dispose of our water.

Q I don't believe that I caught the tubing size, if you mentioned one.

A Well, I'm sure that in a four-and-a-half casing we will have to use two-and-three-eighths tubing. If we can find some two-and-seven-eighths, plastic coated, we might attempt to put it in there, but it will be a tight fit.

Q Are there any other likely possibilities?

A That would be it as far as I can tell at this time.

Q The four-and-a-half inch casing was set at 5080 and this is where the top of the cement was by survey?

A 4,000 feet.

Q 4 thousand and 2 feet?

A 4,000 feet.

Q 4,000 feet, and your packer then would be 900 feet below that point. Have you run any kind of pressure tests on the casing in this well to indicate that you could go down the casing for a period of time without leakage?

A Yes, sir, when we cemented the casing we ran the standard test, 1,000 pounds for 30 minutes, and there was no leakage at that time.

Q When was this?

A When we completed the well. We completed that

well, I believe, in March of '73.

Q What would you anticipate would be the longest reasonable period of time you might expect before tubing would become available, and you could run the same?

A If you all approve our water disposal system we will diligently try to find the plastic-coated tubing as soon as possible, which may be a month or six weeks, but I don't think any longer than that.

Q Ninety days would --

A (Interrupting) Ninety days would certainly provide adequate time.

Q At the present time you don't anticipate any pumping equipment to put this water in; you expect it to go in on vacuum?

A When we tested the well it took it on a vacuum.

Q Do you know what the experience has been with the other salt water disposal well you mentioned down in Section 33?

A We attempted last year to get in their disposal system, and they have incurred some problems. As you can see, Coastal States and O.D.C. have quite a few wells in there and they said that their well was just taking the water that they had; they didn't have room for any other water.

But I do not know if they have had any mechanical or are having to pump the water.

Q You would propose to load the annulus with inhibited fluid in this well?

A When we set the tubing we would use a treated brine water, and, again, it would be like the previous case, a pressure gauge would be useless as long as it was taking on a vacuum. Again, we would go along with a semi-annual test, or an annual test to determine if there were any leaks.

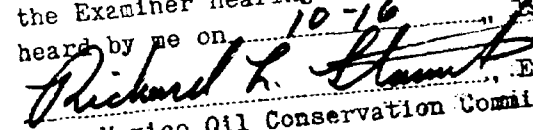
MR. STAMETS: Are there any other questions of this witness? You may be excused.

Is there anything further in this Case? 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 at the Examiner hearing of Case No. 5339 heard by me on 10-16-77.

Richard L. Stamm, Examiner
New Mexico Oil Conservation Commission

THE NYE REPORTING SERVICE
STATE-WIDE DEPOSITION NOTARIES
225 JOHNSON STREET
SANTA FE, NEW MEXICO 87501
TEL. (505) 982-0386



OIL CONSERVATION COMMISSION

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

I. R. TRUJILLO
CHAIRMAN
LAND COMMISSIONER
ALEX J. ARMILLO
MEMBER
STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

October 30, 1974

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

Re: CASE NO. 5339
ORDER NO. R-4892
Applicant:
John L. Cox

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 Mr. Harold Berends - 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. 5339
Order No. R-4892

APPLICATION OF JOHN L. COX 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, John L. Cox, is the owner and operator of the U.S.M. Well No. 2, located in Unit H of Section 27, Township 9 South, Range 37 East, NMPM, West Sawyer-San Andres Pool, Lea County, New Mexico.

(3) That the applicant proposes to utilize said well to dispose of produced salt water into the San Andres formation, with injection into the open-hole interval from approximately 4,989 feet to 5,017 feet.

(4) That the injection should be accomplished through 2 3/8- or 2 7/8-inch internally coated tubing installed in a packer set at approximately 4900 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. 5339
Order No. R-4892

(6) That due to current difficulties being experienced in acquiring internally coated tubing, applicant should be permitted to inject water down the casing in said well for a period not to exceed 90 days.

(7) 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, John L. Cox, is hereby authorized to utilize its U.S.M. Well No. 2, located in Unit H of Section 27, Township 9 South, Range 37 East, NMPM, West Sawyer-San Andres Pool, Lea County, New Mexico, to dispose of produced salt water into the San Andres formation, injection to be accomplished through 2 3/8- or 2 7/8-inch tubing installed in a packer set at approximately 4900 feet, with injection into the open-hole interval from approximately 4,989 feet to 5,017 feet;

PROVIDED HOWEVER, that the tubing shall be internally coated; 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;

PROVIDED FURTHER, that the operator may inject water into said well through casing for a period not to exceed 90 days pending installation of the aforesaid tubing and 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, 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.

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Case No. 5339

Order No. R-4892

DONE at Santa Fe, New Mexico, on the day and year herein-
above designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

I. R. TRUJILLO, Chairman

ALEX J. ARMIJO, Member

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

SEAL

dr/

Docket No. 29-74

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-4638 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 35, 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 Blinebry 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-Blinebry 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

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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.

JOHN L. COX

P.O. Box 2217
408 WEST WALL
PHONE (915) 682-9435

October 7, 1974

MIDLAND, TEXAS 79701

Meadco Properties, Ltd.
P.O. Box 2236
Midland, Texas 79701

Re: West Sawyer San Andres Field
Convert John L. Cox #2 U.S.M.
to Salt Water Disposal Well
Sec. 27, T-9-S, R-37-E,
Lea County, New Mexico

Gentlemen:

John L. Cox proposes to convert the No. 2 U.S.M. well located 1980' FNL and 810' FEL of Section 27, T-9-S, R-37-E, Lea County, New Mexico, to a salt water disposal well. Approximately 200 barrels of water per day will be injected into the interval from 4989' to 5017' in the San Andres formation.

Application has been filed before the New Mexico Oil Conservation Commission for permission to dispose of produced salt water in the above-referenced well which is to be heard on October 16, 1974 in Santa Fe, New Mexico.

As an offset operator, and if you have no objection to this application to dispose of salt water as shown above, please indicate in the space provided below and return one copy of this letter to me. Your early attention and approval of the application would be appreciated.

Very truly yours,

JLC:lb

John L. Cox Cox EXHIBIT NO. 3

As an offset operator, we have no objection to the application of John L. Cox to dispose of salt water as indicated in this letter.

BEFORE EXAMINER STAMETS	
OIL CONSERVATION COMMISSION	
CASE NO.	<u>5339</u>
Submitted by	<u>Bill Estnes</u>
Hearing Date	<u>10.16.74</u>

MEADCO PROPERTIES, LTD.

By Bill E. Estnes Date 10 7 74

JOHN L. COX

P.O. Box 2217

408 WEST WALL

PHONE (915) 682-9435

October 2, 1974

MIDLAND, TEXAS 79701

Oil Development Company of Texas
900 Polk Street
Amarillo, Texas 79100

Re: West Sawyer San Andres Field
Convert John L. Cox #2 U.S.M.
to Salt Water Disposal Well
Sec. 27, T-9-S, R-37-E,
Lea County, New Mexico

Gentlemen:

John L. Cox proposes to convert the No. 2 U.S.M. well located 1980' FNL and 810' FEL of Section 27, T-9-S, R-37-E, Lea County, New Mexico, to a salt water disposal well. Approximately 200 barrels of water per day will be injected into the interval from 4989' to 5017' in the San Andres formation.

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Very truly yours,

JLC:lb

John L. Cox
John L. Cox
BEFORE EXAMINER STAMETS
OIL CONSERVATION COMMISSION
Cox EXHIBIT NO. 4
CASE NO. 5339
Submitted by *Bill Cotner*
Hearing Date 10.16.74

As an offset operator, we have no objection to the application of John L. Cox to dispose of salt water as indicated in this letter.

OIL DEVELOPMENT COMPANY OF TEXAS

By *A. Wayne Kelly*

Date October 4, 1974

JOHN L. COX

P.O. Box 2217
408 WEST WALL
PHONE (915) 682-9435

MIDLAND, TEXAS 79701

October 2, 1974

Flag-Redfern Oil Company
Wall Towers West
Midland, Texas 79701

Re: West Sawyer San Andres Field
Convert John L. Cox #2 U.S.M.
to Salt Water Disposal Well
Sec. 27, T-9-S, R-37-E,
Lea County, New Mexico

Gentlemen:

John L. Cox proposes to convert the No. 2 U.S.M. well located 1980' FNL and 810' FEL of Section 27, T-9-S, R-37-E, Lea County, New Mexico, to a salt water disposal well. Approximately 200 barrels of water per day will be injected into the interval from 4989' to 5017' in the San Andres formation.

Application has been filed before the New Mexico Oil Conservation Commission for permission to dispose of produced salt water in the above-referenced well which is to be heard on October 16, 1974 in Santa Fe, New Mexico.

As an offset operator, and if you have no objection to this application to dispose of salt water as shown above, please indicate in the space provided below and return one copy of this letter to me. Your early attention and approval of the application would be appreciated.

Very truly yours,

John L. Cox

JLC:lb

As an offset operator, we have no objection to the application of John L. Cox to dispose of salt water as indicated in this letter.

FLAG-REDFERN OIL COMPANY

By Byrne H. Green

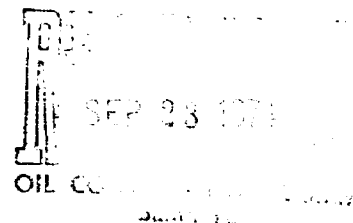
BEFORE EXAMINER STAMETS	
OIL CONSERVATION COMMISSION	
Cox	EXHIBIT NO. 5
CASE NO.	5339
Submitted by	Bill Cotner
Date	10-3-74
Hearing Date	10.16.74

JASON W. KELLAHIN
ROBERT E. FOX
W. THOMAS KELLAHIN

KELLAHIN AND FOX
ATTORNEYS AT LAW
500 DON GASPAR AVENUE
POST OFFICE BOX 1769
SANTA FE, NEW MEXICO 87501

TELEPHONE 982-4315
AREA CODE 505

September 23, 1974



Case 5-339

Oil Conservation Commission
of the State of New Mexico
P. O. Box 2008
Santa Fe, New Mexico 87501

ATTENTION: Ida Rodriguez

Dear Ida:

On September 19, 1974, I forwarded to you for filing
an application by Meadco Properties for Salt Water Disposal.

That application was in error. Please dismiss it and
substitute the enclosed corrected application.

Very truly yours,

Tom by Kaye Hancock

W. Thomas Kellahin

WTK:ks

Enclosure

cc: Mr. Bill C. Cotner

Mr. Bill Henry

DOCKET MAILED

Date 10-9-74

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

APPLICATION OF JOHN L. COX
FOR SALT WATER DISPOSAL
LEA COUNTY, NEW MEXICO

Case 5339

A P P L I C A T I O N

COMES NOW JOHN L. COX and applies to the Oil Conservation Commission of New Mexico for an order approving the disposal of salt water in applicant's John L. Cox #2 USM Well, located 1980 feet from the North line and 810 feet from the East line of Section 27, Township 9 South, Range 37 East, N.M.P.M., Lea County, New Mexico and in support thereof would show the Commission:

1. Applicant is the operator of the John L. Cox #2 USM Well in the West Sawyer-San Andres Pool, Lea County, New Mexico.

2. The applicant proposes to utilize said well to dispose of produced salt water into the West Sawyer-San Andres Pool with injection into the openhole interval from approximately 4989 feet to 5,017 feet at the approximate rate of 200 barrels per day.

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

WHEREFORE applicant prays that this application be set for hearing before the Commission's duly appointed examiner and that after notice and hearing as required by law, the Commission enter its order approving the salt water disposal well as applied for.

Respectfully submitted,

JOHN L. COX

By 

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

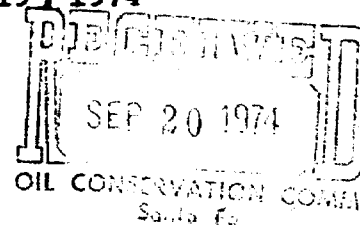
ATTORNEYS FOR APPLICANT

JASON W. KELLAHIN
ROBERT E. FOX
W. THOMAS KELLAHIN

KELLAHIN AND FOX
ATTORNEYS AT LAW
500 DON GASPAR AVENUE
POST OFFICE BOX 1789
SANTA FE, NEW MEXICO 87501

TELEPHONE 982-4315
AREA CODE 505

September 19, 1974



Oil Conservation Commission
P. O. Box 2008
Santa Fe, New Mexico 87501

ATTENTION: Ida Rodriguez

Dear Ida:

Please find enclosed an original and two copies of an application for salt water disposal for MEADCO PROPERTIES which we would appreciate being set for the Examiner's Hearing on October 16, 1974.

Very truly yours,

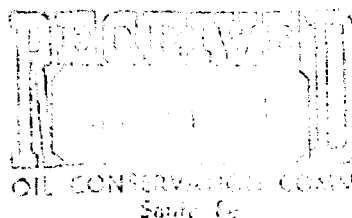

W. Thomas Kellahin

WTK:ks

Enclosure

DOCKET MAILED

Date _____



BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

APPLICATION OF MEADCO PROPERTIES
FOR SALT WATER DISPOSAL
LEA COUNTY, NEW MEXICO

A P P L I C A T I O N

COMES NOW MEADCO PROPERTIES and applies to the Oil Conservation Commission of New Mexico for an order approving the disposal of salt water in applicant's John L. Cox #2 USM Well, located 1980 feet from the North line and 810 feet from the East line of Section 27, Township 9 South, Range 37 East, N.M.P.M., Lea County, New Mexico and in support thereof would show the Commission:

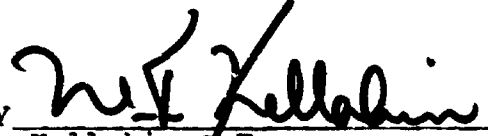
1. Applicant is the operator of the John L. Cox #2 USM Well in the West Sawyer-San Andres Pool, Lea County, New Mexico.
2. The applicant proposes to utilize said well to dispose of produced salt water into the West Sawyer-San Andres Pool with injection down the casing and into the openhole interval from approximately 4989 feet to 5,017 feet.
3. That approval of the subject application will prevent the drilling of unnecessary wells and otherwise prevent waste and protect correlative rights.

WHEREFORE applicant prays that this application be set for hearing before the Commission's duly appointed examiner and that after notice and hearing as required by law, the Commission enter its order approving the salt water disposal well as applied for.

Respectfully submitted,

MEADCO PROPERTIES

By



Kellahin & Fox

P. O. Box 1769

Santa Fe, New Mexico 87501

ATTORNEYS FOR APPLICANT

DRAFT

jr/

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. 5339

Order No. R- 4892

APPLICATION OF JOHN L. COX 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 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, John L. Cox, is the owner and operator
of the U.S.M. Well No. 2, located in Unit H of Section 27, Township
9 South, Range 37 East, NMPM, West Sawyer-San Andres Pool, Lea
County, New Mexico.

1 -2-
2 CASE NO. 5339
3 Order No. R-

4 (3) That the applicant proposes to utilize said well to
5 dispose of produced salt water into the San Andres formation, with
6 injection into the open-hole interval from approximately 4,989
7 feet to 5,017 feet.

8 (4) That the injection should be accomplished through 2 3/8-
9 or 2 7/8-inch internally coated tubing installed in a packer set
10 at approximately 4900 feet. and that the casing-tubing annulus
11 should be filled with an inert fluid.

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

16 (6) That due to current difficulties being experienced in
17 acquiring internally coated tubing, applicant should be permitted
18 to inject water down the casing in said well for a period not to
19 exceed 90 days.

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

23 IT IS THEREFORE ORDERED:

24 (1) ~~That~~ the applicant, John L. Cox, is hereby authorized to
25 utilize its U.S.M. Well No. 2, located in Unit H of Section 27,
26 Townshio 9 South, Range 37 East, NMPM, West Sawyer-San Andres Pool,
27 Lea County, New Mexico, to dispose of produced salt water into the
28 San Andres formation, injection to be accomplished through 2 3/8
29 or 2 7/8-inch tubing installed in a packer set at approximately
30 4900 feet, with injection into the open-hole interval from
31 approximately 4,989 feet to 5,017 feet;
32

1 -3-
2 CASE NO. 5339
3 Order No. R-

4 PROVIDED HOWEVER, that the tubing shall be internally coated;
5 that the casing-tubing annulus shall be filled with an inert fluid;
6 that a pressure gauge ^{shall} ~~may~~ be attached to the annulus or the annulus
7 left open at the surface in order to determine leakage in the
8 casing, tubing, or packer; and that the operator shall conduct
9 semi-annual pressure tests on the casing-tubing annulus advising
10 the Hobbs district office of the Commission of the date and time
11 of such tests in order that they may be witnessed;

12 PROVIDED FURTHER, that the operator may inject water into
13 said well through casing ~~only~~ for a period not to exceed 90 days
14 ~~pending installation of the aforesaid tubing and packer.~~
15 (2) That the applicant shall submit monthly reports of its
16 disposal operations in accordance with Rules 704 and 1120 of the
17 Commission Rules and Regulations, showing in addition, thereon, the
18 date and results of the last semi-annual pressure test.

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

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