

**CASE 5570: FILON EXPLORATION
CORP. FOR SALT WATER DISPOSAL,
SANDOVAL COUNTY, NEW MEXICO**

CASE NO.

5570

APPLICATION,
TRANSCRIPTS,
SMALL EXHIBITS,

ETC.



DIRECTOR
JOE D. RAMEY

OIL CONSERVATION COMMISSION

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

LAND COMMISSIONER
PHIL R. LUCERO
October 24, 1975



STATE GEOLOGIST
EMERY C. ARNOLD

Minerals Management Inc. Re: CASE NO. 5570
J. H. Borgerding ORDER NO. R-5108
Petroleum Engineer
Box 2919
Casper, Wyoming 82601

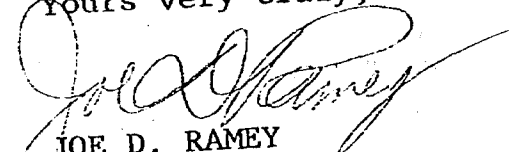
Applicant:

Filon Exploration Corporation

Dear Sir:

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

Yours very truly,


JOE D. RAMEY
Director

JDR/fd

Copy of order also sent to:

Hobbs OCC x
Artesia OCC
Aztec OCC x

Other

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. 5570
Order No. R-5108

APPLICATION OF FILON EXPLORATION
CORPORATION FOR SALT WATER DISPOSAL,
SANDOVAL COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on October 8, 1975,
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 21st day of October, 1975, the Commission,
a quorum being present, having considered the record and the
recommendations of the Examiner, and being fully advised in the
premises,

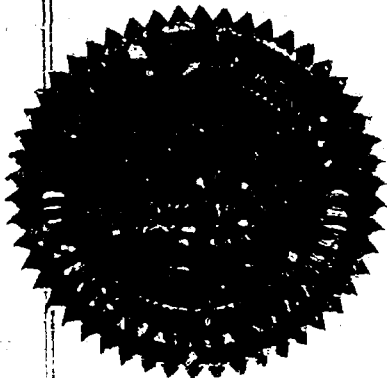
FINDS:

That the application has been approved administratively
without the necessity of hearing and that the application for
hearing should be dismissed.

IT IS THEREFORE ORDERED:

That Case No. 5570 is hereby dismissed.

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



STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

Phil R. Lucero
PHIL R. LUCERO, Chairman

Emery C. Farnold
EMERY C. FARNOLD, Member

Joe D. Ramey
JOE D. RAMEY, Member & Secretary

S E A L

dr/

sid morrish reporting service

General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 982-9212

Page 1

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
October 8, 1975

EXAMINER HEARING

IN THE MATTER OF:

Application of Filon Exploration
Corporation for salt water disposal,
Sandoval County, New Mexico.

CASE
5570

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 F. Carr, Esq.
Legal Counsel for the Commission
State Land Office Building
Santa Fe, New Mexico

1 MR. STAMETS: We will call the next Case, 5570.

2 MR. CARR: Case 5570, application of Filon
3 Exploration Corporation for salt water disposal, Sandoval
4 County, New Mexico.

5 Mr. Examiner, the subject of this application was
6 approved by the Commission in an administrative procedure,
7 therefore, this Case should be dismissed.

8 MR. STAMETS: Case 5570 will be dismissed.

9 I would like to announce at this time that Case
10 5551 will be heard by Examiner Nuttel later this afternoon.
11 This Case was originally heard by this Examiner and it will
12 be a continuation and will be heard by him following, I
13 believe, the last case on today's docket.

14 MR. JENNINGS: Mr. Examiner, that really puts us
15 in a bind. Mr. Todd had a twelve o'clock flight, but he
16 isn't going to be a witness.

17 MR. COOTER: Mr. Examiner, I think that the only
18 thing that remains in that Case is just a very short summary,
19 probably by both parties that would not take more than
20 ten to fifteen minutes.

21 MR. STAMETS: Do all parties in that Case agree
22 that it won't take more than ten or fifteen minutes?

23 MR. JENNINGS: I wouldn't want to agree to that
24 because I didn't participate in the original hearing and I don't
25 know what Mr. Nuttel has in mind, he's the one that --

MR. STAMETS: Let's go off the record.
(THEREUPON, a discussion was held off
the record.)

sid morrish reporting service
General Court Reporting Service
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Phone (505) 982-9212

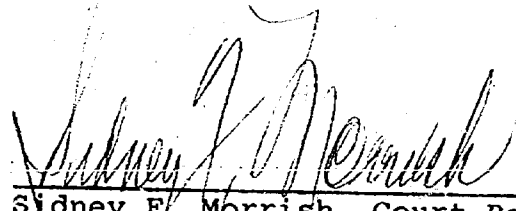
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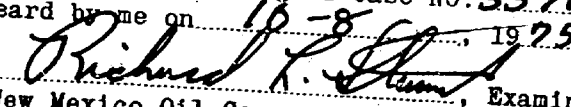
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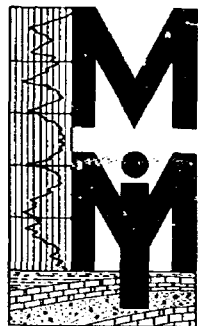
Page 4

1
2 State of New Mexico)
3) ss.
4 County of Santa Fe)

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

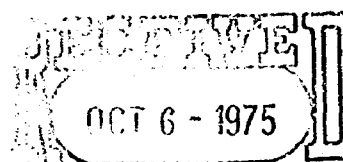
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13 
14 Sidney F. Morrish, Court Reporter

15
16
17 I do hereby certify that the foregoing is
18 a complete record of the proceedings in
19 the Examiner hearing of Case No. 5570,
20 heard by me on 10-8-75, 1975.
21 , Examiner
22 New Mexico Oil Conservation Commission
23
24
25



**MINERALS
MANAGEMENT INC.**

WESTERN RESOURCES BUILDING • P. O. BOX 2919
TELEPHONE (307) 265-4960
CASPER, WYOMING 82601



CONSERVATION COMM.
Santa Fe

October 3, 1975

Mr. Dan Nutter
New Mexico Oil Conservation Commission
P.O. Box 2058
Santa Fe, New Mexico 87501

File
Case 5570

Dear Mr. Nutter:

My letter of September 25, 1975, requested that the matter of salt water disposal for our client Filon Exploration Corporation in Section 11, T19N, R4W, Sandoval County, be placed on the earliest hearing docket, namely that of October 8, 1975. Inasmuch as administrative approval has now been given, please dismiss that case from the hearing docket.

Yours very truly,

J. H. Bergerding
J. H. Bergerding
Petroleum Engineer

JHB/sb



MINERALS
MANAGEMENT INC.

WESTERN RESOURCES BUILDING • P. O. BOX 2919
TELEPHONE (307) 265-4960
CASPER, WYOMING 82601

*File Case
5570*

September 25, 1975

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

Dear Mr. Nutter:

This is in reference to our letter of September 15, 1975, to the Secretary-Director which requested administrative approval for salt water disposal for our client Filon Exploration Corporation in Section 11, T19N, R4W, Sandoval County. As per my phone conversation of September 18, I requested that that matter also be placed on the earliest hearing docket in the event a hearing becomes necessary. While we have every reason to believe administrative approval will be given, please consider this letter as our formal request to keep that application on the October 8 hearing docket until we further advise.

Yours very truly,

J. H. Borgerding

J. H. Borgerding

JHB/sb

N. MOCC, SANTA FE
RE: FILON WATER DISPOSAL REQUEST.

SUBMITTED AT REQUEST OF
MINERALS MANAGEMENT, INC.

BLM IS SURFACE MANAGEMENT
AGENCY FOR SE 1/4 SEC. 11-19N-4W.
J. B. G. B.



United States Department of the Interior

IN REPLY REFER TO

3100

BUREAU OF LAND MANAGEMENT
Farmington Resource Area
P. O. Box 568
Farmington, New Mexico
87401

September 23, 1975

Jerry Long
U. S. Geological Survey
P. O. Box 1809
Durango, Colorado 81301

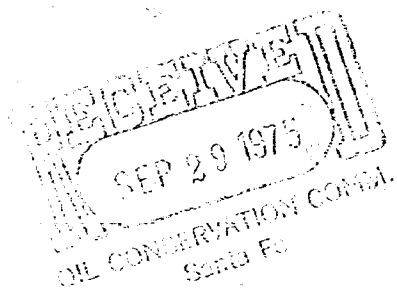
Dear Mr. Long:

We recommend approval of the Application for Permit to Drill the water disposal well, Federal 11C #2 in the SE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 11, T19N, R4W, NMPM provided the attached stipulations become part of the permit.

Sincerely yours,

Paul Kirk
Paul Kirk
Area Manager

Enclosure



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SEP 24 1975

U. S. GEOLOGICAL SURVEY
DURANGO, COLO.

Federal HC #2

LAND MANAGEMENT

STIPULATIONS FOR DRILLING OPERATIONS

1. All activities shall be confined to the access road and drill pad. Activities outside these areas must be approved in writing by the Bureau of Land Management (BLM).
 2. The earth tanks shall be well constructed and under no circumstances will they be allowed to leak or be cut to drain. They shall not be located on natural drainages. Waste or discharge of any kind will not be allowed to enter any drainage.
 3. The reserve pits will be covered after completion of the drilling operation. If they can be covered without disturbing any additional surface outside the drill pad they will be covered immediately. Otherwise, the reserve pits will be fenced and the liquid portion will be allowed to evaporate before the pits are covered.
- All waste associated with the drilling operation will be buried in place or removed and deposited in an approved sanitary landfill. All garbage (metal containers will be crushed) and debris will be buried at least three feet deep. All trash and debris will be buried or removed from the site within three months after removal of the drill rig. The permittee will comply with all State laws and regulations pertaining to the disposal of human waste.
5. The pipeline will be constructed adjacent to the area cleared for the access road; unless during the field examination the BLM representative agrees to a different route. The road surface should not exceed twenty feet in width. The pipeline can be constructed at the edge of the road. Clearing will not be done except where absolutely necessary for laying the line. Upon completion of drilling, the access road will be adequately drained to control run-off and soil erosion. Drainage facilities may include ditches, water bars, culverts and/or any other measure deemed necessary by the BLM representative.
 6. All existing improvements affected, during drilling operations, shall be maintained in a serviceable condition by the drilling permittee at all times. In the event any such improvements owned by the United States or its permittees or lessees are destroyed, immediate replacement or reimbursement for its full value will be made as determined by the responsible BLM representative.
 7. When clearing in the pinon-juniper vegetative type, the trees removed will be placed in drainages, washes, gullies, etc., and "walked down" with a crawler type tractor. If there are no gullies, the brush will be scattered and "walked down" or covered in the reserve pit.

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SEP 24 1975

U. S. GEOLOGICAL SURVEY
DURANGO, COLO.

8. All of the area disturbed in connection with the drill site will be seeded to within five (5) feet of any above ground equipment. Seeding will be done within one year after drilling is completed and during the period from July 1 through September 15, following the attached seeding specifications. The BLM will be advised when the work is to be done and when it has been completed. If, in the opinion of the BLM area manager, the first seeding is unsuccessful, the lessee may be required to make subsequent seedings until revegetation is successful. If livestock grazing is expected to inhibit seedling establishment, the permittee may fence the reseeded area until the area is properly revegetated.
9. When gas is used in the drilling process, the line used to discharge and burn off the gas will be located so as not to damage vegetation in the area. If this is not possible, an earthen baffle will be constructed to keep the heat and residue within the operating area. All liquids from the "bloopie" line will be contained at the site unless otherwise specified by the BLM representative.
10. Upon completion of drilling, during cleanup, all cut and fill banks will be made to be no steeper than 3:1.
11. Any evaporator pit found to contain toxic liquids will be fenced to exclude wildlife and/or covered and posted as directed by the BLM representative.
12. All oil pumping equipment shall be fenced to keep animals away and shall be properly posted to warn the public of the hazards.
13. If, in its operations, the permittee discovers any historic or prehistoric ruin, monument or site, or any object of antiquity subject to the Antiquities Act of June 8, 1906 (34 Stat. 225, 16 U.S.C. Secs. 432-433), and 43 CFR Part 3, then work will be suspended and the discovery promptly reported to the District Manager. The Bureau will then take such action as required under the Act and regulations thereunder. When directed by the District Manager, the permittee will obtain, at his expense, a qualified archaeologist to examine and if necessary, excavate or gather such ruins or objects.
14. All structures and pipelines above ground shall be painted a non-glare, non-reflective, non-chalking color that simulates the natural color of the site and the Federal Standard Number 595 30257 (Brown) (or equivalent), unless otherwise specified.
15. Special Stipulations:
The special stipulation(s) designated _____ through _____
are attached on the following pages,
totaling _____ page(s).

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U. S. GEOLOGICAL SURVEY
DURANGO, COLO.

BLM SEEDING REQUIREMENTS
IN THE FARMINGTON RESOURCE AREA

1. SEED MIXTURE 2

2. TIME:

All seeding will take place between July 1 and September 15.

3. EQUIPMENT:

Seeding will be done with a disc-type drill with two boxes for various seed sizes. The drill rows will be eight to ten inches apart. The seed will be planted not less than one-half inch deep or more than one inch deep. The seeder will be followed with a drag, packer, or roller to insure uniform coverage of the seed, and adequate compaction. Drilling will be done on the contour where possible, not up and down the slope. Where slopes are too steep for contour drilling, a "cyclone" hand seeder or similar broadcast seeder will be used. Seed will then be covered to the depth described above by whatever means is practical.

4. SPECIES TO BE PLANTED IN POUNDS PURE-LIVE-SEED PER ACRE:

CRESTED WHEATGRASS (Agropyron desertorum) - $3\frac{1}{4}$ lbs.

FOURWING SALTBUSH (dewinged) (Atriplex canescens) - $\frac{1}{2}$ lb.

SAND DROPSEED (Sporobolus cryptandrus) - $\frac{3}{4}$ lb.

WINTERFAT (Eurotia lanata) - $\frac{1}{2}$ lb.

ALKALI SACATON (Sporobolus airoides) - $\frac{3}{4}$ lb.

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SEP 24 1975

U. S. GEOLOGICAL SURVEY
DURANGO, COLO.

Docket No. 24-75

Dockets Nos. 25-75 and 26-75 are tentatively set for hearing on October 15 and October 22, 1975. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - OCTOBER 8, 1975

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:

CASE 5048: (Continued from September 10, 1975 Examiner Hearing)

In the matter of Case No. 5048 being reopened pursuant to the provisions of Order No. R-4637 which order established the South Dagger Draw-Upper Pennsylvanian Associated Pool and promulgated special pool rules therefor, including provisions for 320-acre proration units and a limiting gas-oil ratio of 8,000 to 1. All interested parties may appear and show cause why said special pool rules should remain in effect.

CASE 5551: (Continued from September 10, 1975 Examiner Hearing)

Application of Dalport Oil Corporation and Burk Royalty Co. for compulsory pooling and an unorthodox gas well location, Chaves County, New Mexico. Applicants, in the above-styled cause, seek an order pooling all mineral interests in the Queen formation underlying the W/2 of Section 17, Township 12 South, Range 31 East, Southeast Chaves-Queen Gas Area, Chaves County, New Mexico, to be dedicated to a well drilled at an unorthodox location 660 feet from the South and West lines of said Section 17. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision. Also to be considered will be the designation of the applicant as the operator of the well and a charge for the risk involved in drilling said well.

CASE 5555: (Continued from September 24, 1975 Examiner Hearing)

Application of Lone Star Producing Company 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 12,180 feet to 12,226 feet in its Santa Fe Well No. 2 located in Unit 0 of Section 19, Township 9 South, Range 37 East, East Crossroads-Devonian Pool, Lea County, New Mexico.

CASE 5563: Application of Llano, Inc. for a unit agreement, Lea and Eddy Counties, New Mexico. Applicant, in the above-styled cause, seeks approval for the Lusk Strawn Deep Unit Area comprising 20,864 acres, more or less, of State and Federal lands in Townships 18, 19, and 20 South, Ranges 31 and 32 East, Lusk Strawn Pool, Lea and Eddy Counties, New Mexico.

- CASE 5564: Application of Llano, Inc. for a pressure maintenance project, Lea and Eddy Counties, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a pilot pressure maintenance project in the Lusk Strawn Pool, Lea and Eddy Counties, New Mexico, by the injection of gas into the Strawn formation through two wells in its Lusk Strawn Deep Unit Area. Applicant further seeks rules governing said project, including but not limited to provision for expansion of the project area, placing additional wells on injection, changes in injection pattern for sweep efficiency and determination of project allowable.
- CASE 5565: Application of Atlantic Richfield Company for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in the Vacuum Grayburg-San Andres Pool by injection of water through seven wells on its State "B" and State "C" Leases, six of said wells being converted producers located in Units C, E, I, K, M, and O of Section 32, Township 17 South, Range 34 East, Lea County, New Mexico, and the seventh being a new well drilled at an unorthodox location 250 feet from the South line and 2250 feet from the West line of said Section 32. Applicant further seeks an administrative procedure whereby the project area could be expanded and additional wells at standard and non-standard locations put on injection and production.
- CASE 5566: Application of James F. Graham for a non-standard proration unit and compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests underlying a non-standard oil proration unit comprising the SW/4 NE/4 SE/4, NW/4 SE/4 SE/4, NE/4 SW/4 SE/4, and the SE/4 NW/4 SE/4 of Section 12, Township 13 South, Range 31 East, Caprock Queen Pool, Chaves County, New Mexico, to be dedicated to a well to be drilled at an unorthodox location 1340 feet from the South line and 1300 feet from the East line of said Section 12, said location having been previously been approved by Order No. R-4750. Also to be considered will be the cost of drilling and completing said well and the allocation of such costs, as well as actual operating costs and charges for supervision. Also to be considered is the designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 5567: Application of Belco Petroleum Corporation for compulsory pooling and an unorthodox location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the W/2 of Section 5, Township 22 South, Range 27 East, Eddy County, New Mexico, to be dedicated to a well to be drilled at an unorthodox location 660 feet from the South line and 1980 feet from the West line of said Section 5. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision. Also to be considered will be the designation of the applicant as the operator of the well and a charge for the risk involved in drilling said well.

- CASE 5568: Application of Yates Petroleum Corporation for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its ARCO EC Well No. 2 to be drilled at a point 1980 feet from the South line and 1100 feet from the East line of Section 36, Township 17 South, Range 25 East, Eddy County, New Mexico, to have dedicated the S/2 of said Section 36.
- CASE 5569: Application of Yates Petroleum Corporation for amendment of certain provisions of Rules 104 C.II.(a) of the General Rules and Regulations for acreage and well location requirements for gas development wells in Southeastern New Mexico. Applicant, in the above-styled cause, seeks to amend Rules 104 B.I(a) and 104 C.II(a) to include the Wolfcamp formation under the standard 320-acre gas spacing and well location requirements for Southeastern New Mexico, or in the alternative, the applicant seeks special rules for gas wells completed in the Wolfcamp formation in Township 17 South, Ranges 25 and 26 East, Township 18 South, Ranges 24, 25, and 26 East, and Township 19 South, Ranges 23, 24, and 25 East, Eddy County, New Mexico, providing for 320-acre spacing and well location requirements.
- CASE 5570: Application of Filon Exploration Corporation for salt water disposal, Sandoval County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced water by injection into the Gallup formation through the perforated interval from approximately 3080 to 3600 feet in its Federal 11-C Well No. 2, located in Unit P of Section 11, Township 19 North, Range 4 West, Sandoval County, New Mexico.
- CASE 5571: Application of Robert G. Cox for amendment of Order No. R-4561, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks amendment of Order No. R-4561, which order permitted the directional drilling of applicant's Federal "EA" Well No. 1, located 330 feet from the North and West lines of Section 12, Township 18 South, Range 27 East, Empire-Abo Pool, Eddy County, New Mexico, in such a manner as to be bottomed within 100 feet of the surface location. Applicant seeks the amendment of said order to permit bottoming of the subject well approximately 58 feet from the North line and 8 feet from the West line of said Section 12 and to permit verification of said downhole location by single-shot directional surveys made concurrently with the drilling of said well.

Docket No. 25-75

Dockets Nos. 26-75 and 27-75 are tentatively set for hearing on October 22 and November 5, 1975. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - OCTOBER 15, 1975

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

The following cases will be heard before Daniel S. Nutter, Examiner, or Richard L. Stamets, 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, 1975.
 - (2) Consideration of the allowable production of gas from five prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico, for November, 1975.

DAN NUTTER

3072654960

Jim Bergering

Application, Filon
Exploration Corp for
saltwater disposal
Sandoval Co

approve 3080-3600
perfs from

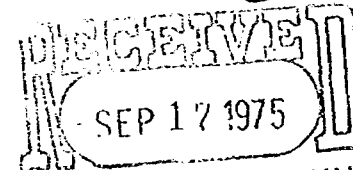
Oct 8

dispose of produced
salt water into
Gardner formation thru
Federal 11-C Well No
2 loc in Unit 8 P
11, T 19 N, R 4 W.
Sandoval Co NM



**MINERALS
MANAGEMENT INC.**

WESTERN RESOURCES BUILDING • P. O. BOX 2919
TELEPHONE (307) 265-4960
CASPER, WYOMING 82601



OIL CONSERVATION COMM.
Santa Fe

Case 5570
request for hearing

September 15, 1975

(also being processed administratively)

Mr. A. L. Porter, Secretary-Director
New Mexico Oil Conservation Commission
P.O. Box 2088
Santa Fe, New Mexico 87501

Re: Application for
Salt Water Disposal
Sandoval County, New Mexico

Dear Mr. Porter:

In accordance with New Mexico Oil Conservation Commission Rule No. 701, we are filing on behalf of our client, Filon Exploration Corporation, Form C-108 and other necessary attachments and as per Rule No. 701-C respectfully request administrative approval of the salt water disposal project as outlined.

Filon has recently drilled the Federal No. 12-1 well located SW SW Section 12, 19N-4W. That well was drilled thru the Entrada formation to a total depth of 5735 feet. In order to conclusively test that well for oil production from the Entrada formation and also for purposes after its completion, underground water disposal facilities are required. It is anticipated that this applied for disposal facility will also be used to serve other Entrada wells which may be drilled by Filon in the immediate area.

This application requests approval to dispose of salt water into the Gallup formation in a well which Filon Exploration plans to drill in the SE SE Section 11, 19N-4W. That well will be drilled to the Gallup for the expressed purpose of water injection. The salt water disposal project, as applied for herein, is similar to that at the Media Field which is located about five miles east

Case 5570

Mr. A. L. Porter

Page 2

of this proposed SWD well. At Media some 8,000 barrels per day of produced Entrada water is disposed of into the Gallup formation at two wells.

An analysis of the Entrada water from a well at the Media field is attached. No analysis of the Entrada water from the Filon Federal No. 12-1 is available at this time, but will be supplied within the next several days or as soon as possible. Based on electric logs it is believed that the total dissolved solids of Entrada water at Media and at Federal No. 12-1 are similar. No sample of water from the Gallup was available for analysis, however, again based on electric logs it is believed that its total dissolved solids content is not too different from the Entrada water.

We respectfully request early Administrative approval of this application for salt water disposal. If you have any questions or if in need of additional data, please contact us.

Sincerely,



J. H. Borgerding
Petroleum Engineer

JHB/sb

DOCKET MAILED

Date 9/26/75

Case 5570

NEW MEXICO OIL CONSERVATION COMMISSION

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

OPERATOR Filon Exploration Corporation c/o Minerals Management Inc.		ADDRESS P.O. Box 2498 Casper, Wyoming 82601	
LEASE NAME Federal 11-C	WELL NO. 2	FIELD Unnamed	COUNTY Sandoval
LOCATION UNIT LETTER <u>P</u> ; WELL IS LOCATED <u>460</u> FEET FROM THE <u>south</u> LINE AND <u>800</u> FEET FROM THE LINE, SECTION <u>11</u> TOWNSHIP <u>19N</u> RANGE <u>4W</u> NMPM.			
CASING AND TUBING DATA			
NAME OF STRING	SIZE	SETTING DEPTH	SACKS CEMENT
SURFACE CASING	8 5/8-24#	200'	150
INTERMEDIATE	---		
LONG STRING	5 1/2-15.5#	3600'	450
TUBING	2 7/8	3080'	Retrievable Packer at about 3050'
NAME OF PROPOSED INJECTION FORMATION Gallup		TOP OF FORMATION 3080	BOTTOM OF FORMATION 3600
IS INJECTION THROUGH TUBING, CASING, OR ANNULUS? Tubing		PERFORATIONS OR OPEN HOLES? Perforations	PROPOSED INTERVAL(S) OF INJECTION Sands within Gallup
IS THIS A NEW WELL DRILLED FOR DISPOSAL? Yes, but not yet drilled-		IF ANSWER IS NO, FOR WHAT PURPOSE WAS WELL ORIGINALLY DRILLED? No	
HAS WELL EVER BEEN PERFORATED IN ANY ZONE OTHER THAN THE PROPOSED INJECTION ZONE? No			
LIST ALL SUCH PERFORATED INTERVALS AND SACKS OF CEMENT USED TO SEAL OFF OR SQUEEZE EACH ---			
DEPTH OF BOTTOM OF DEEPEST FRESH WATER ZONE IN THIS AREA No fresh water zones known to exist		DEPTH OF BOTTOM OF NEXT HIGHER OIL OR GAS ZONE IN THIS AREA No uphole oil/gas zns. known to exist	
DEPTH OF TOP OF NEXT LOWER OIL OR GAS ZONE IN THIS AREA Entrada at about 5470'			
ANTICIPATED DAILY INJECTION VOLUME (BBLS.)	MINIMUM 4000	MAXIMUM 2000	8000
OPEN OR CLOSED TYPE SYSTEM	Open		
IS INJECTION TO BE BY GRAVITY OR PRESSURE?	Pressure		
APPROX. PRESSURE (PSI)	1100		
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 -		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) Federal Land - Public Domain. Surface rights are not leased.		ARE WATER ANALYSES ATTACHED? water to be disposed of only.	
LIST NAMES AND ADDRESSES OF ALL OPERATORS WITHIN ONE-HALF (1/2) MILE OF THIS INJECTION WELL			
1) Filco Exploration Corp. 1700 Broadway, Denver, Colorado 80202			
2) Union Oil Co. of California, P.O. Box 2620, Casper, Wyoming 82601			
Note: Filon Exploration is designated operator for offset lessee, Petro Lewis			
HAVE COPIES OF THIS APPLICATION BEEN SENT TO EACH OF THE FOLLOWING?			
SURFACE OWNER yes		EACH OPERATOR WITHIN ONE-HALF MILE OF THIS WELL yes	
ARE THE FOLLOWING ITEMS ATTACHED TO THIS APPLICATION (SEE RULE 701-B)		ELECTRICAL LOG yes, from offset well	
PLAN OF AREA 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.

J. H. Borgerding
J. H. Borgerding

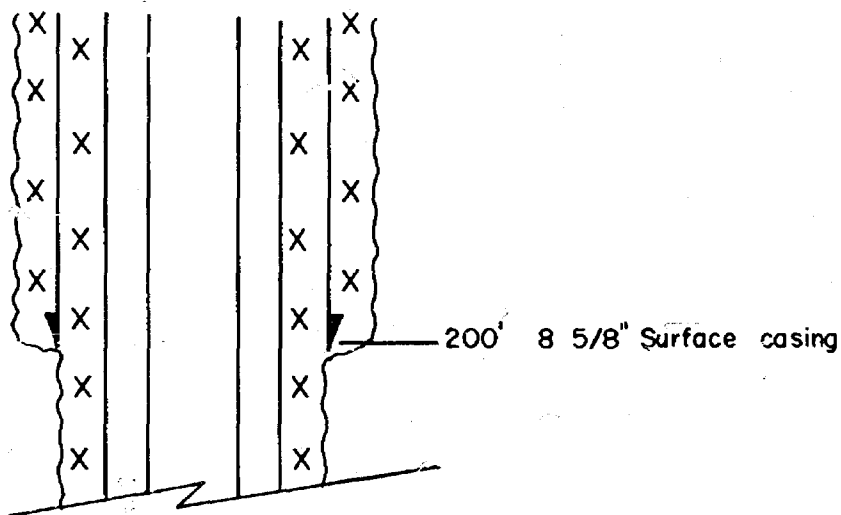
Petroleum Engineer
(Title)

Sept. 15, 1975
(Date)

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

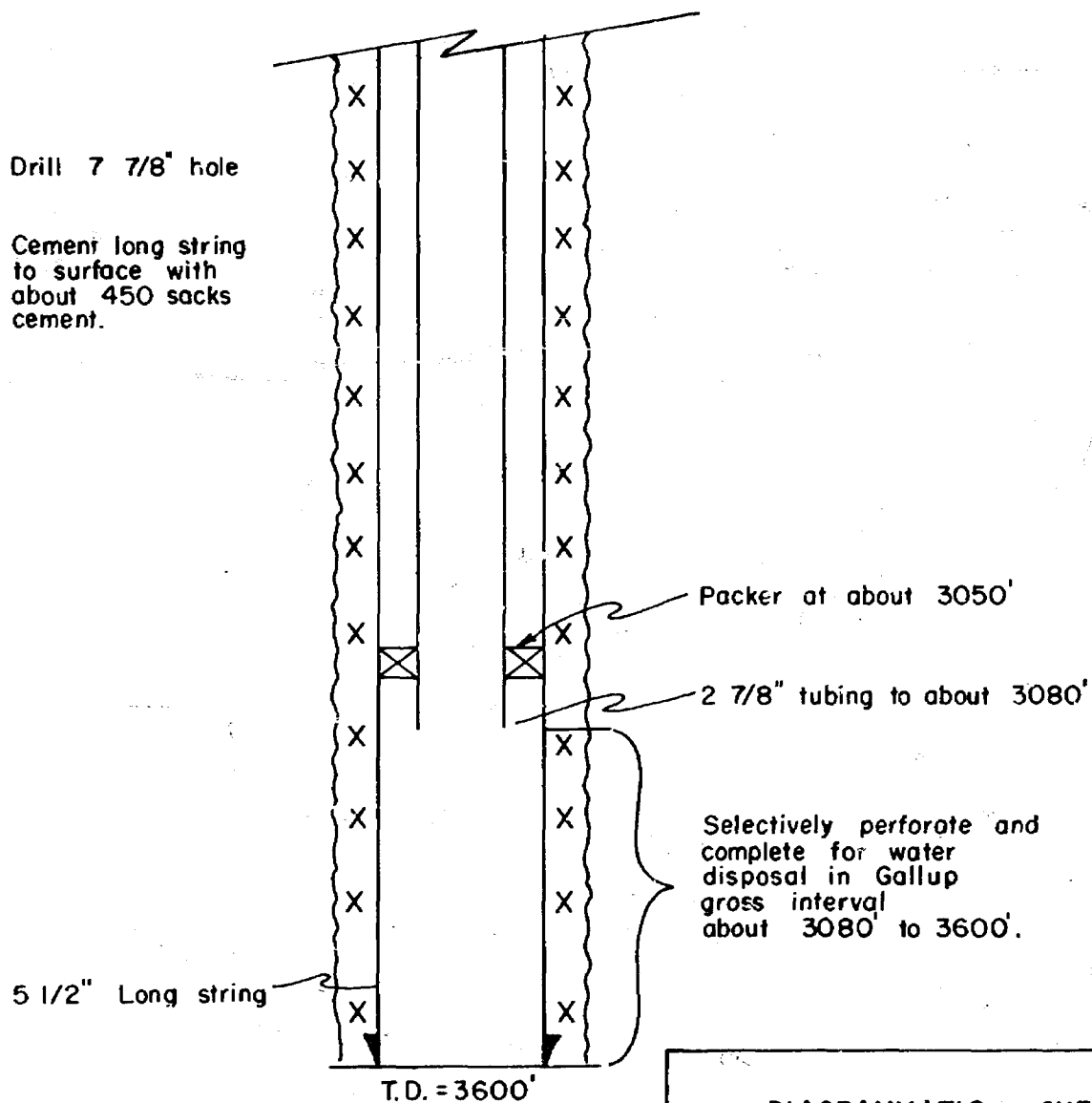
Drill 11" hole

Surface casing
cemented to
surface with
150 sacks.



Drill 7 7/8" hole

Cement long string
to surface with
about 450 sacks
cement.



DIAGRAMMATIC SKETCH
OF
PROPOSED INJECTION WELL
SE SE Section 11 T.19N.-R.4W.
SANDOVAL CO., NEW MEXICO

CL1-12A (REV. 1904)

CHEMICAL & GEOLOGICAL LABORATORIES

P. O. Box 2794
Casper, Wyoming

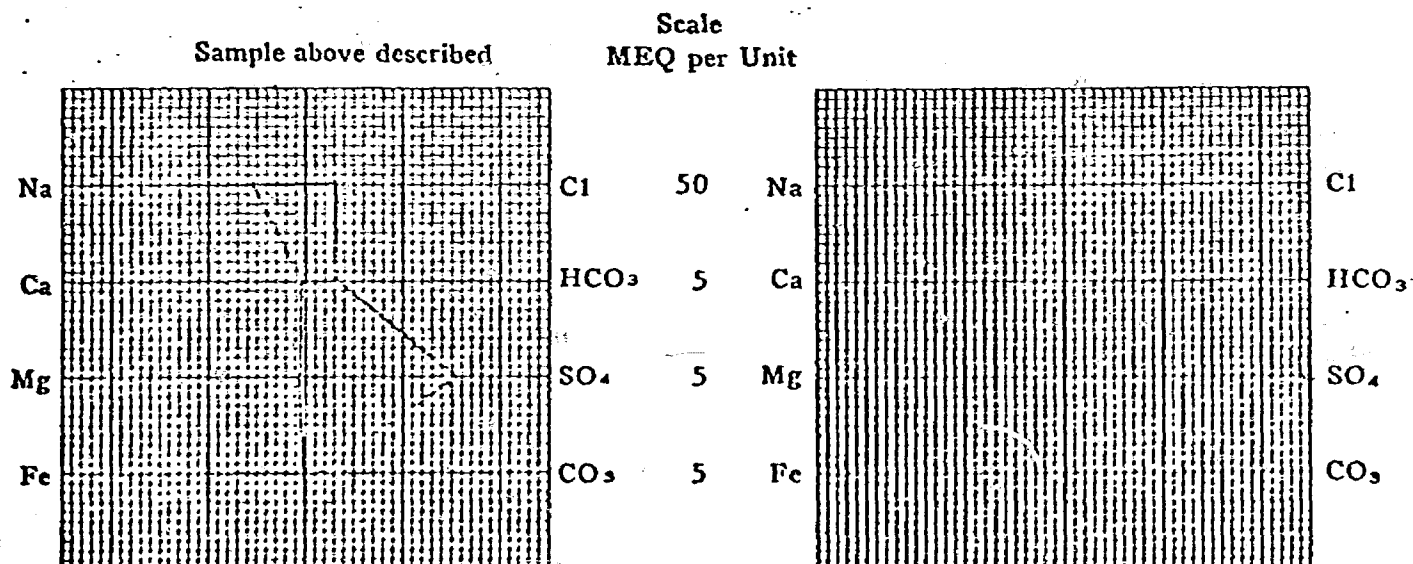
WATER ANALYSIS REPORT

OPERATOR	Petro-Lewis Corporation	DATE	September 30, 1974	LAB NO.	13891
WELL NO.	Boling Federal 6-22	LOCATION	SE NW 22-19N-32W		
FIELD	SW Media	FORMATION	Entrada		
COUNTY	Sandoval	INTERVAL	5300-5313		
STATE	New Mexico	SAMPLE FROM			

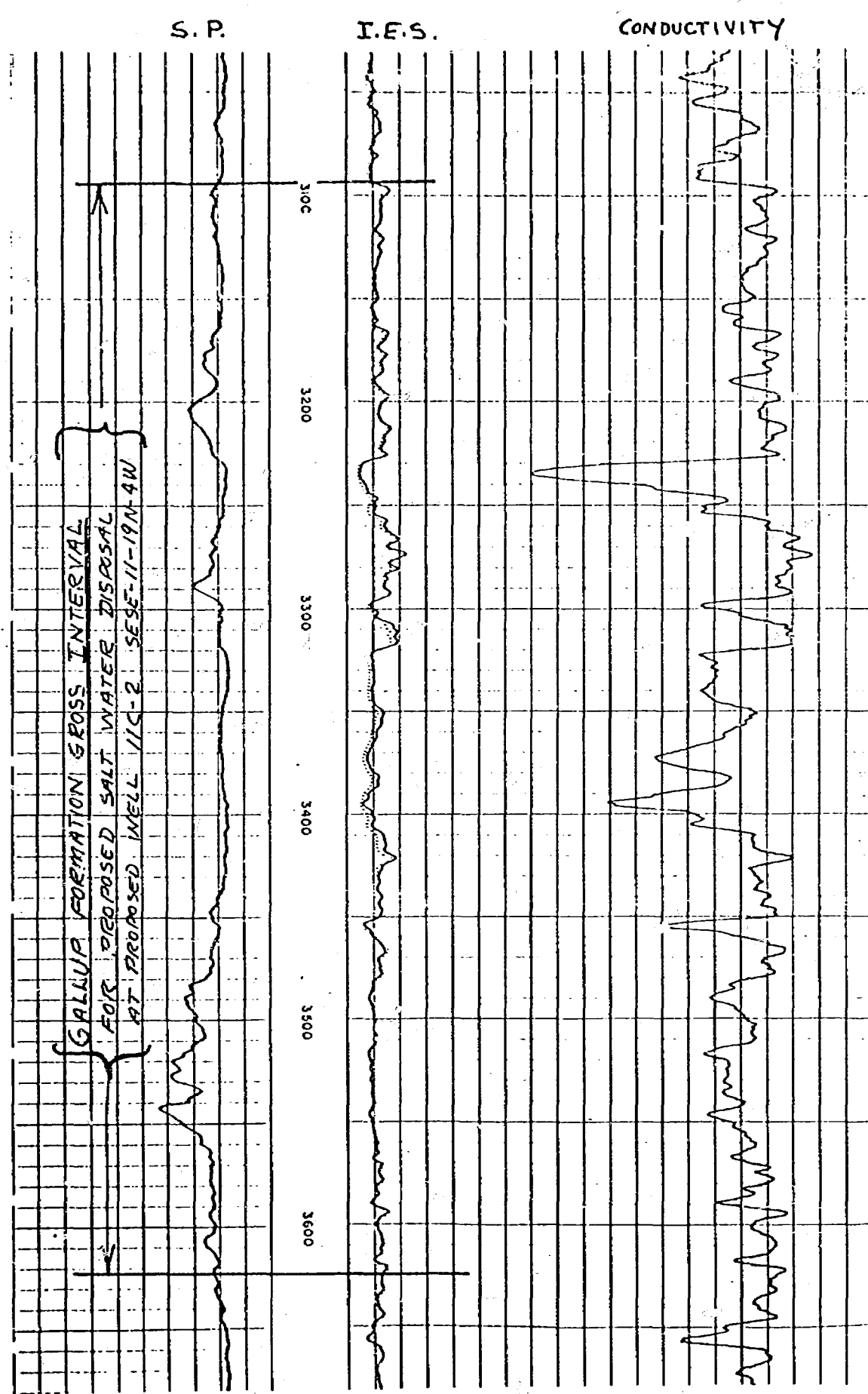
REMARKS & CONCLUSIONS: Green sulfur water.

Cations			Anions		
	mg/l	meq/l		mg/l	meq/l
Sodium	5634	245.08	Sulfate	3700	76.96
Potassium	64	1.64	Chloride	5500	155.10
Lithium	-	-	Carbonate	204	6.79
Calcium	60	2.99	Bicarbonate	903	14.81
Magnesium	48	3.95	Hydroxide	-	-
Iron	-	-	Hydrogen sulfide	Present	-
Total Cations		253.66	Total Anions		253.66
Total dissolved solids, mg/l			Specific resistance @ 68°F.:		
NaCl equivalent, mg/l		15655	Observed		0.56 ohm-meters
Observed pH		8.9	Calculated		0.51 ohm-meters

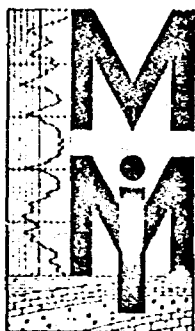
WATER ANALYSIS PATTERN



(Na value in above graphs includes Na, K, and Li)
NOTE: Mg/l = Milligrams per liter Meq/l = Milligram equivalents per liter
Sodium chloride equivalent = by Dunlap & Hawthorne calculation from components



PORTION OF ELECTRIC LOG
FROM
FILON FEDERAL NO. 12-1
SWSW - SECTION 12 - 19N - 4W
SANDOVAL CO. NEW MEXICO



MINERALS
MANAGEMENT INC.

WESTERN RESOURCES BUILDING • P. O. BOX 2919
TELEPHONE (307) 265-4960
CASPER, WYOMING 82601

Case 5570

September 15, 1975

Mr. Bob Massey
Union Oil Co. of California
P.O. Box 2620
Casper, Wyoming 82601

Dear Mr. Massey:

As you may have been informed by Mr. Dusty Blades of Filon Exploration, our firm has filed the attached application with the New Mexico Oil Conservation Commission requesting approval for Filon Exploration to dispose of salt water in a well to be drilled in Section 11-19N-4W, Sandoval County, New Mexico. We are asking for administrative approval from the New Mexico Oil Conservation Commission and according to their rules, a 15-day waiting period is required, in which time offset operators have the right of objection. The Commission may dispense with that 15-day waiting period if waivers of objection are received from all offset operators and the surface owner.

Inasmuch as Filon Exploration is in need of disposal facilities, at the earliest date possible, we are asking for early consideration from Union Oil. Trusting that Union has no objection, we ask that you make this known to the New Mexico Oil Conservation Commission in order that the 15-day waiting period may be dispensed with.

If you have any questions, please feel free to contact me at the above letterhead phone number.

Sincerely,

J. H. Borgerding
J. H. Borgerding

JHB/sb

cc: A. L. Porter, Jr.
Dusty Blades

Form 9-331
(May 1963)

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

SUBMIT IN TRIPLICATE*
(Other instructions on re-
verse side)

Form approved.
Budget Bureau No. 42-R1424.

6. LEASE DESIGNATION AND SERIAL NO.

NM 24961

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

Federal

7. UNIT AGREEMENT NAME

None

8. FARM OR LEASE NAME

Federal 11C

9. WELL NO.

2

10. FIELD AND POOL, OR WILDCAT

Undesignated

11. SEC. T., R., M., OR BLK. AND
SURVEY OR AREA

Sec 11, T19N, R4W

14. PERMIT NO.

15. ELEVATIONS (Show whether DT, RT, CR, etc.)

6644 Gr.

12. COUNTY OR PARISH

13. STATE

Sandoval

N. M.

16.

Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

SUBSEQUENT REPORT OF:

TEST WATER SHUT-OFF

PULL OR ALTER CASING

WATER SHUT-OFF

REPAIRING WELL

FRACTURE TREAT

MULTIPLE COMPLETE

FRACTURE TREATMENT

ALTERING CASING

SHOOT OR ACIDIZE

ABANDON*

SHOOTING OR ACIDIZING

ABANDONMENT*

REPAIR WELL

CHANGE PLANS

(Other)

(Other) Salt Water Disposal

(NOTE: Report results of multiple completion on Well
Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Application for permit to drill above well was filed 9-11-75.
This Sundry Notice is submitted requesting approval for salt water
disposal as per application filed with the New Mexico Oil Conservation
Commission September 15, 1975. That application is attached.

18. I hereby certify that the foregoing is true and correct

SIGNED

J. H. Borgerding
J. H. Borgerding

TITLE Petroleum Engineer

DATE Sept. 15, 1975

(This space for Federal or State office use)

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions on Reverse Side

Application of Felen Exploration Corporation
for salt water disposal, Landover County,
New Mexico

Applicant - - - seeks authority to
dispose of produced water by injection
into the Gallup formation through the per-
forated interval from 3080 to 3600
feet in its Federal H-C well No. 2, lo-
cated in Unit 8 of Section 11, Town-
ship 19 North, Range 4 West, Sanboral
County, New Mexico.

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. 5570

Order No. R-5108

APPLICATION OF FILON EXPLORATION
CORPORATION FOR SALT WATER DISPOSAL,
SANDOVAL COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on October 8, 1975,
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this day of October, 1975, the Commission,
a quorum being present, having considered the record and the recom-
mendations of the Examiner, and being fully advised in the premises,

FINDS:

That the application has been approved administratively
without the necessity of hearing and that the application for
hearing should be dismissed.

IT IS THEREFORE ORDERED:

That Case No. 5570 is hereby dismissed.

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