

Entered September 2, 1975
JAR

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. 5535
Order No. R-5082

APPLICATION OF COQUINA OIL CORPORATION
FOR AN UNORTHODOX GAS WELL LOCATION,
EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on August 13, 1975, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 2nd day of September, 1975, 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, Coquina Oil Corporation, seeks approval of an unorthodox gas well location 660 feet from the North line and 660 feet from the East line of Section 5, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico, for its Gulf Federal Well No. 1, completed in the Morrow formation.

(3) That said well was originally projected as a Devonian oil well at a standard location for such.

(4) That the N/2 of said Section 5 is to be dedicated to the well.

(5) That no offset operator objected to the proposed unorthodox location.

(6) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the subject pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

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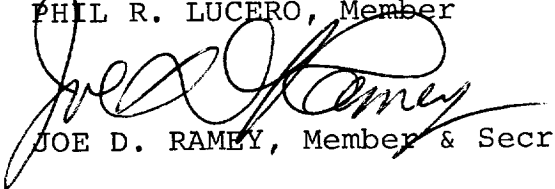
Case No. 5535
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IT IS THEREFORE ORDERED:

- (1) That an unorthodox gas well location for the Morrow formation is hereby approved for the Coquina Oil Corporation Gulf Federal Well No. 1, located at a point 660 feet from the North line and 660 feet from the East line of Section 5, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico.
- (2) That the N/2 of said Section 5 shall be dedicated to the above-described well.
- (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 hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


PHIL R. LUCERO, Member


JOE D. RAMEY, Member & Secretary

S E A L

jr/

Entered November 26, 1968
A.P.

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. 3924
Order No. R-3600

APPLICATION OF MINERALS, INC., AND
R. F. MONTGOMERY, et al., FOR AN
EXCEPTION TO ORDER NO. R-3221, AS
AMENDED, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on November 13, 1968, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 26th day of November, 1968, the Commission, a quorum being present, having considered the testimony presented and the exhibits received at said hearing, 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 applicants, Minerals, Inc., and R. F. Montgomery, et al., are the owners and operators of certain oil wells located in Sections 7 and 18, Township 20 South, Range 33 East, NMPM, Salt Lake Pool, Lea County, New Mexico.

(3) That effective January 1, 1969, Order (3) of Commission Order No. R-3221, as amended, prohibits in that area encompassed by Lea, Eddy, Chaves, and Roosevelt Counties, New Mexico, the disposal, subject to minor exceptions, of water produced in conjunction with the production of oil or gas, or both, on the surface of the ground, or in any pit, pond, lake, depression, draw, streambed, or arroyo, or in any watercourse, or in any

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other place or in any manner which would constitute a hazard to any fresh water supplies and said disposal has not previously been prohibited.

(4) That the aforesaid Order No. R-3221 was issued in order to afford reasonable protection against contamination of fresh water supplies designated by the State Engineer through disposal of water produced in conjunction with the production of oil or gas, or both, in unlined surface pits.

(5) That the State Engineer has designated, pursuant to Section 65-3-11 (15), N.M.S.A., 1953 Compilation, all underground water in the State of New Mexico containing 10,000 parts per million or less of dissolved solids as fresh water supplies to be afforded reasonable protection against contamination; except that said designation does not include any water for which there is no present or reasonably foreseeable beneficial use that would be impaired by contamination.

(6) That the applicants seek an exception to the provisions of the aforesaid Order (3) to permit the continued disposal of salt water, produced by applicants' wells located in said Sections 7 and 18, in two unlined surface pits located in Unit N of said Section 7 and Unit C of said Section 18.

(7) That, in the alternative, applicants seek authority to dispose of said produced water into a salt lake, known as Laguna Gatuna, located principally in said Section 18.

(8) That there is an abandoned shallow water well, the water from which was reported as too salty for cattle to drink, approximately two miles to the northwest of the subject pits in the Laguna Plata synclinal depression.

(9) That there are five producing shallow water wells located from 2 1/2 to 3 1/2 miles to the south and southwest of the subject pits.

(10) That there is an abandoned shallow water well, the water from which was reported as too gypseous for cattle to drink, approximately 2 1/2 miles northeast of the subject pits.

(11) That there is an abandoned shallow water well approximately 1 3/4 miles to the southwest of the subject pits.

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(12) That the subject pits are located very near the north-western edge of the aforementioned Laguna Gatuna which lake occupies the lowermost portion of a synclinal feature.

(13) That each of the shallow water wells described in Findings Nos. (9), (10), and (11) are located structurally higher than the aforesaid pits and lake.

(14) That water will not flow from the aforesaid pits or lake up-structure to the shallow water wells described in Findings Nos. (9), (10), and (11).

(15) That there appears to be no water within the immediate area of the subject pits for which a present or reasonably foreseeable beneficial use is or will be made that would be impaired by contamination from said pits.

(16) That the applicants should be permitted to continue to dispose of salt water, produced by applicants' wells located in said Sections 7 and 18, in the two subject unlined surface pits.

IT IS THEREFORE ORDERED:

(1) That the applicants, Minerals, Inc., and R. F. Montgomery, et al., are hereby granted an exception to Order (3) of Commission Order No. R-3221, as amended, to continue to dispose of water produced in conjunction with the production of oil or gas, or both, by their wells located in Sections 7 and 18, Township 20 South, Range 33 East, NMPM, Salt Lake Pool, Lea County, New Mexico, in the unlined surface pit located in Unit N of said Section 7 and in the unlined surface pit located in Unit C of said Section 18 until further order of the Commission.

(2) That the Commission may by administrative order rescind such authority whenever it reasonably appears to the Commission that such rescission would serve to protect fresh water supplies from contamination.

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(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 hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

DAVID F. CARGO, Chairman


GUYTON B. HAYS, Member


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

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