CASE 4506: Application of ATLANTIC RICHFIELD COMPANY FOR SALT WATER DISPOSAL, LEA COUNTY, NEW MEXICO.

Number ase Application Transcripts. Small Exhibits

.

SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIONS BEFORE THE NEW MEXICO OIL CONSERVATION COMMISSION Santa Fe, New Mexico February 24, 1971 EXAMINER HEARING 209 SIMMS BLDG, • P.O. BOX 1092 • PHONE 243-6691 • ALBUQUERQUE, NEW MEXICO IN THE MATTER OF: Application of Atlantic Richfield ) Case No. 4506 Company for salt water disposal, ) Lea County, New Mexico. ) dearnley-meier BEFORE: Elvis A. Utz, Examiner. TRANSCRIPT OF HEARING

		page 2							
	1	MR. UTZ: Case 4506.							
	2	MR. HATCH: Application of Atlantic Richfield Company							
	3	for salt water disposal, Lea County, New Mexico.							
	4	MR. HINKLE: Clarence Hinkle, Hinkle, Bondurant,							
	5	Cox and Eaton, Roswell, appearing on behalf of Atlantic							
	6	Richfield. We have one witness and seven exhibits.							
	7	(Witness sworn.)							
	8	(Whereupon, Exhibits 1 through 7 were marked for							
	9	identification.)							
	10	L. C. HUDRY,							
3	11	having been first duly sworn, testified as follows:							
TESTIMONY, DAILY COPY, CONVENTIONS Querque. New Mexico 87103 Ev Mexico 87108	12	DIRECT EXAMINATION							
	13	BY MR. HINKLE:							
LY COPY EW ME) 7108	14	Q State your name, your residence and by whom you are							
STIMONY, DAI ERQUE, N MEXICO 8:	15	employed.							
·	16	A L. C. Hudry; live in Roswell, New Mexico; work for							
EXPERT 1 • ALBU 1 oue, N	17	Atlantic Richfield.							
STATEMENTS, I One: 243-6691 • Albuquer	18	Q What is your occupation with Atlantic Richfield?							
STAT ONE + AL	19	A Operation engineer.							
HEARIN 1092 •	20	Q Are you a graduate petroleum engineer?							
TONS, EOX ABL	21	A Yes.							
	22	Q Have you previously testified before the Oil Conservation							
<b>9</b>	23	Commission?							
SPECIALIZIN 209 SIMMS FIRST NAT	24	A Yes, sir.							
	25	Q You have qualified as a petroleum engineer?							

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				PAGE 3
		1	A	Yes, sir.
		2	Q	Your qualifications are a matter of record with the
		3		Commission?
		4	A	Yes, sir.
		5	Q	Are you familiar with the application of Atlantic
	•	6		Richfield in this case?
8		7	A	Yes, sir.
neie		8	Q	What is Atlantic Richfield seeking to accomplish?
ey-I		9	А	Atlantic Richfield request permission to utilize its
dearnley-meier		10		Eidson "C" WN Number 3 Well as a salt water disposal well.
de		11		The well is located 1980 feet from the west line and 2310
TESTIMONY, DAILY COPY, CONVENTIONS querque, New Mexico 87103 Ew Mexico 87108	03	12		feet from the north line in Unit F, Section 26, Township
	0	13		16 South, Range 35 East, Lea County, New Mexico.
Y COPY.	NEW MEXI 87108	14	Q	Have you prepared or has there been prepared under your
NY, DAIL	UE. NE 1CO 87	15		direction certain exhibits for introduction in this case?
TESTIMO	IQUERQUE. IEW MEXICO	16	A	Yes, sir.
XPERT	ALBU NUE, N	17	Q	And these are the exhibits which have been marked from
	243-6601 BUQUERC	18		1 through 7?
s, state	Z ≺ 0 ●	19	A	Yes, sìr.
IE ARING:	X 1002. РН0 LDG, EAST	20	Q	Refer to Exhibit 1 and explain this to the Examiner.
ITIONS, P	0 0	21	А	Exhibit Number 1 is a circle, two-mile circle, indicating
DEPOS	DC.+ 2.0. B	22		the wells that are within that circle and the wells that
SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS,	IMM5 BLD	23		are marked in red are the present wells that are producing
SPECIAL	209 SIM	24		from the Penn Formation.
		25		The one well which is indicated in green is the one

			PALE 4
	1		well that is producing from the Wolfcamp and the rest of
	2		the wells, which are indicated in blue, have either produced
	3		from the Penn or the Devonian and are now plugged and
	4	1	abandoned or temporarily abandoned.
	5	Q	How many wells does Atlantic Richfield own in the Shoe
	6		Bar Pool?
	7	A	We have four wells in this Shoe Bar Field.
	8	Q	That's the Shoe Bar-Penn Pool, is it not?
	9	A	Yes, sir.
	10	Q	Where are they located with reference to your proposed
	11		injection well?
TESTIMONY, DAILY COPY, CONVENTIONS Querque, New Mexico 87103 Ew Mexico 87108	12	A	If we will look at Exhibit Number 2, which is a map
	13		contoured on top of the Penn, the red arrow designates
AILY COPY NEW ME2 87108	14		our proposed Number 3 Well which we propose to use for
DNY, DAI DUE. N XICO 81	15		salt water disposal well.
TESTIMONY, D. Jquerque, Iew Mexico	16		The other 3 wells which are left in the field, which
EXPERT 1. ALBU ROUE, N	17		we operate, are the Eidson A Number 3 which is southwest
*LIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT AMS BLDG., P.O., BOX 1092. PHONE 243-6691. ALBU NATIONAL BANK BLDG. EAST ALBUGUEROUE. N	18		of the Number 3 Well, the Eidson A Number 4, which is
S, STATI HONE 2 TALB	19	:   	south of the Number 3 Well and the Ramco Well which is in
<b>NS, HEARINGS,</b> Эх 1092 е рн Энdg. East	20		Section 35, way at the lower end of the structure.
HTIONS, I D. BOX NK BLE	21	Q	What is the status of the Number 3 Well which you propose
; DE:*OS 36.+ 2.0 1AL BA(	22	:	to convert to an injection well?
LIZING IN: DE: OSITIC AMS BLDG. • 2,0. B NATIONAL BANK	23	A	The Number 3 Well is at the point where we will have to
SPECIAL 200 C A FIRST A	24	Ĩ	prematurely abandon the well due to the amount of water
	25		that is being produced from the well in relation to the

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	1		oil and there are no remedial operations for this well
	2		that will go ahead and decrease the amount of water that
	3		it is producing. It is presently in the Penn Formation
	4		and we propose to use that same well for a disposal well.
	5	Q	Nave you made a tabulation of the quantities of water
	6		which are being produced?
;	7	A	Yes, sir.
üearniey-meier	8	Q	Refer to Exhibit 3 and explain that.
ey-n	9	A	Exhibit Number 3 indicates the minimum amount of water to
	10		the maximum amount of water that we anticipate disposing
8	11		of into our Number 3 Well. It ranges from sixty barrels
TESTIMONY, DAILY COPY, CONVENTIONS querque, New Mexico 87103 ew Mexico 87108	12		of water per day to a maximum of five hundred.
	13		We believe that the production of water that we will
ALY COPY, NEW MEXI 87108	14		have to dispose of will be in the range of one hundred
IONY, DAIL QUE, NE XICO 87	15		barrels per day which we anticipate to put away in the
TESTINO QUERQ Ew MEX	16		well by gravity and this will be a closed system.
EXPERT • A L B U ⊋ U E, N	17	Q	What do you mean by closed system?
	18	A	So that no air will get to the water.
S, STATE Hone 2 Toale	19	Q	Now, refer to Exhibit 4 and explain this.
HEARING: 1092 • PI	20	A	Exhibit Number 4 is a diagrammatic sketch of the Eidson
1110:45, Р 0. 80 х 4 к 8 с р	21		"C" WN Number 3 Well which we propose to use for a dis-
i DEPOS 20.● P.C AL BAR	22		posal well. It indicates the casing size, the amount of
SPECIALIZING IN. DEPOSITIOAS, HEARINGS, STATEMENTS, 2009 CIMMS BLDG.+ P.O. BUX 1092 • PHONE 243-409 FIRST NATIONAL DANK BLDG. EAST • AL BUQUED	23		cement, the top of the cement, where we propose to place
SPECIAL 209 SIM FIRST 5	24		a permanent packer and the tubing casing annulus will be
_	25		loaded with an inhibited fluid.

and the second second

page 5

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1	Q	With a gauge put on the annulus?
2	У	Installed on the annulus.
3	Ω	Do you have any further comments with respect to Exhibit
4		Number 4?
5	А	No, sir.
6	Q	Refer to Exhibit Number 5 and explain what this is.
7	A	Number 5 is a log of the Eidson "C" WN Number 3 Well
8		which indicates the top of the Pennsylvanian Formation
9		at 10,278 with the present perforations that are now
10		existing in the well.
11		Now, we propose to utilize the present set of
12		formations, but we are asking to be able to dispose of
13		from the top of the Penn to the T. D. of the well which
14		is all in the Pennsylvanian Formation.
15	Q	Have you had a water analysis made on the water which is
16		to be produced and disposed of?
17	A	Yes, sir. We have water from the Eidson A Lease and als
18		from the Eidson C Lease and the waters are very compatib
19	Q	Are these shown by Exhibits 6 and 7?
20	A	Yes, sir. Six and 7 indicate that the chloride content
21		over 90,000 and it is not fit for either humans or cattl
22	Q	What does Exhibit Number 7 show?
23	А	Exhibit Number 7 is a water analysis of the Eidson C
24		Lease and this is the lease that we intend to dispose
25		propose to dispose of water into.

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SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIONS

PAGE 7 Q In your opinion, would the approval of this application 1 2 be in the interest of conservation, prevention of waste and protect correlative rights? 3 А Yes, sir. By utilizing this well for a disposal well, 4 we will be able to produce the rest of the wells that are 5 in the field to a much higher water cut than we are able 6 to right now and thus we will be able to get more oil from 7 the remaining wells instead of prematurely abandoning them 8 due to a high water cut. 9 Do you have anything else you would like to present to the Q 10 Commission? 11 At this time I would like to state that we did not propose Α 12 to plastic coat the tubing because the remaining life that 13 is left for the remaining wells is very short. It's in 14 the range of three to four years and we are trying to 15 minimize the amount of expense that will be involved to 16 dispose of water. 17 Now, we have -- there is no disposal system in this 18 area right here but there is disposal systems farther away 19 where we would either have to pipe to or haul water to. 20 Now, we are hauling water and the cost per barrel is 21

thirty-eight cents per barrel to haul the water away and

cut gets excessive in relation to the amount of oil that

this is where it is catching us because when the water

is being produced, then we will have to prematurely

DESCIALIZING IN. DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIONS DO SIMMS BLDG. P.O. BOX 1092-PHONE 243-0691.ALBUQUERQUE, NEW MEXICO 87103 FIRST NATIONAL JANK BLDG. EAST-ALBUQUERQUE, NEW MEXICO 87103

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			PAGE (;				
	1	- <u> </u>	abandon the well.				
	2		MR, HINKLE: We would like to offer in evidence the				
	3	Exhi	ibits 1 through 7.				
	4		MR. UTZ: Without objection, Exhibits 1 through 7				
	5	will	be entered into the record of this case.				
	6		MR. HINKLE: That's all we have.				
	7	CROSS EXAMINATION					
	8	BY N	IR. UTZ:				
•	9	Q	Mr. Hudry, did you state whether you are going to load				
	10		the annulus with an inert fluid?				
TESTIMONY, DAILY COPY, CONVENTIONS Querque. New Mexico 87.103 Ew Mexico 87.108	11	А	Yes, sir, we did, with an inhibited fluid.				
	12	Q	You are going to use a gauge at the surface?				
	13	Α	Yes, sir.				
1LY COF 1EW ME 7108	14	Q	I notice on the five and a half-inch from the top to the				
<b>ЮНУ, DA</b> QUE, N	15		cement at 8082 to the bottom of the eight and five-				
RT TESTIM BUQUER New Me	16		eighths at 4866, there is no cement behind that casing.				
	17		Now old is this casing?				
DEPOSITIONS, MEARINGS, SYATEMENTS, I S.e.19.0. Box 1092.0 Phone: 243-0091 AL HANK BLDG. EAST 0ALEUQUER	18	λ	This, I don't know.				
GS, STAT PHONE STAAL1	19	Q	Have you tested the well; do you know whether the casing				
. HEARING ( 1092 - F	20		is in good shape or not?				
SITIONS, O. BOX NK BL	21	A	The casing, as far as we know, is in excellent condition				
N: DE!'O DG. ● !''. NAL EIA	22	Q	And the same question in regard to the 2,000 feet				
SPECIALIZING IN. DEPOSITIONS, 200 SIMMS BLDG P.O. BOX FIRST NATIONAL BANK BL	23		approximately on the eight and five-eighths casing?				
525CIA 200 SIA FIRST	24	Λ	This, we believe to be in good shape to go ahead and take				
	25		care of our needs without having water come in from an				

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STATE OF NEW MEXICO 1 ) ) ss COUNTY OF BERNALILLO ) 2 I, GLENDA BURKS, Court Reporter in and for the County of 3 4 Bernalillo, State of New Mexico, do hereby certify that the 5 foregoing and attached Transcript of Hearing before the New 6 Mexico Oil Conservation Commission was reported by me; and dearniey-meier that the same is a true and correct record of the said 7 proceedings to the best of my knowledge, skill and ability. 8 9 De da Bala Court Reporter 10 11 SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIONS 12 209 SIMMS BLOG. - 2.0, BOX 1002+PHONE 243-66913 ALBUQUERQUE. NEW MEXICO 87103 FIRST NATIONAL BANK BLDG. EAST+ALBUQUERQUE, NEW MEXICO 87108 13 14 15 16 17 18 19 20 21 I do hereby vertify that the formpoint is 22 a contraction and the properties is mainer hearing of tiese so. 450 b. 23 1 00 50 mm Jack F. M. 13.7/ ... Hew Rex100 011 Conservation Constitution 24 ... Szeziuer 25

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# **OIL CONSERVATION COMMISSION**

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

GOVERNOR **BRUCE KING** CHAIRMAN

LAND COMMISSIONER ALEX J. ARMIJO MEMBER

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

March 4, 1971

Re: Case No. 4505, 4506, 4507 Mr. Clarence Hinkle Order No. R-4112, R-4113, R-4114 Hinkle, Bondurant, Cox & Eaton Attorneys at Law Applicant: Post Office Box 10 Roswell, New Mexico 88201

ATLANFIC RICHFIELD COMPANY

Dear Sir:

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

Very truly yours, a. J. Vorter Os

A. L. PORTER, Jr. Secretary-Director An

# ALP/ir

Copy of order also sent to:

Hobbs OCC X

Artesia OCC

Aztec OCC

State Engineer Office - Santa Fe Other

(R-4112 -Bureau of Land Management - Santa Fe)

## 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. 4506 Order No. R-4113

APPLICATION OF ATLANTIC RICHFIELD COMPANY 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 February 24, 1971, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 4th day of March, 1971, 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, Atlantic Richfield Company, is the owner and operator of the Bidson "C" WN Well No. 3, located in Unit F of Section 26, Township 16 South, Range 35 East, NMPM, Shoe Bar-Pennsylvanian Pool, Lea County, New Mexico.

(3) That the applicant proposes to utilize said well to dispose of produced salt water into the Pennsylvanian formation, with injection into the perforated interval from approximately 10,278 feet to 10,442 feet.

(i) That the injection should be accomplished through 2-inch tubing installed in a packer set at approximately 10,250 feet; that the casing-tubing annulus should be filled with an inert fluid; and that a pressure gauge should be attached to

-2-CASE No. 4506 Order No. R-4113

the annulus at the surface in order to determine leakage in the casing, tubing, or packer.

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

## IT IS THEREFORE URDERED:

(1) That the applicant, Atlantic Richfield Company, is hereby authorized to utilize its Eidson "C" WN Well No. 3, located in Unit F of Section 26, Township 16 South, Range 35 East, NMPM, Shoe Bar-Pennsylvanian Pool, Lea County, New Mexico, to dispose of produced salt water into the Pennsylvanian formation, injection to be accomplished through 2-inch tubing installed in a packer set at approximately 10,250 feet, with injection into the perforated interval from approximately 10,278 feet to 10,442 feet;

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

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

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

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



STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

BRUCE KING, Chairman

ALEX J. ARMIJO, Member U. PORTER, Jr., Member & Secretary

Case 450 b Keard # 2-2.4-7/ Rec. 2-26-71 Grant atlanter permise convert there Eideon 'C' Whi # 3 F-26-16-35 - Shoe - Bar Pern. Dujection shall be conto the paren. from 10, 321-357 into the Darm. fm. Packer should be get at appliet. 10250. Cumulus to be filled with iner flied uppen that may ut he enternally slaster coutes Thist

'Examiner Hearing ~ February 24: 1971 -2-

- 3. A 480-acre non-standard gas promation unit comprising the W/2 and the NE/4 of Section 13, Township 23 South, Range 36 East, to be dedicated to levas Pacific State "A" Account 1 Wells Nos. 20,21, and 22.
- 4. A standard 640 acre gas promation unit comprising all of Section 11, Township 22 South, Range 36 East, to be dedicated to Texas Pacific State "A" Account 2 Wells Nos. 14, 36, and 42.
- 5. A 480-acre non-standard gas proration unit comprising the E/2 of Section 8, and the SW/4 of Section 9, Township 22 South, Range 36 East, to be dedicated to Texas Pacific State "A" Account 2 Wells Nos, 38, 43 and 56.
- CASE 4504: Application of Humble Oil & Refining Company for the reinstatement of cancelled underproduction, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an exception to the general rules and regulations for prorated gas pools of Southeastern New Mexico promulgated by Order No. R-1670, as amended, to permit the reinstatement of underproduction accumulated by its Greenwood Well No. 11 located in Unit I of Section 9 and its Penrose Well No. 1 located in Unit B of Section 13, Township 22 South, Range 37 East, Blinebry Gas Pool, Lea County, New Mexico, and cancelled January 1, 1971.

CASE 4505: Application of Atlantic Richfield Company for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Yates-Seven Rivers formation in the perforated interval from 2978 feet to 3350 feet in its Federal Well No. 2 located in Unit N of Section 9, Township 20 South, Range 33 East, West Teas Yates-Seven Rivers Pool, Lea County, New Mexico.

<u>CASE 4506</u>: Application of Atlantic Richfield Company for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Pennsylvanian formation in the perforated interval from 10,278 feet to 10,442 feet in its Eidson "C" WN Well No. 3 located in Unit F of Section 26, Township 16 South, Range 35 East, Shoe Bar-Pennsylvanian Pool, Lea County, New Mexico.

CASE 4507: Application of Atlantic Richfield Company for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Devonian formation in the perforated interval from 13,690 feet to 13,726 feet in its Lea State 396 Well No. 3 located in Unit G of Section 35, Township 15 South, Range 36 Past, Dean-Devonian Pool, Lea County, New Mexico.

CASE 4502: Application of Samedan Oil Corporation for special pool rules and pool extension, lies County, New Mexico. Applicant, in the abovestyled cause, seeks the promulgation of special pool rules for the East Monton-Wolfcamp-Pool, Les County, New Mexico, including a provision for 80-acre spacing and proration units. Applicant further seeks extension of the horizontal boundaries of said pool to include the following.



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Form C-108 Revised 1-1-65

## NEW MEXICO OIL CONSERVATION COMMISSION

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

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Atlantic Richfi	eld Company		۹			Box	1978, Roswel	l, Ne		
Eidson "C" WN			WELL NO. 3		Shoe	Bar	Penn		COUNTY Irea	
LOCATION	··· <u>······</u> ·····									•
UNIT LETTER	<u> </u>	ELL  5 L	OCATED_1	980		FROM THE	West	NE AND _	2310	FEET FROM THE
North LINE, SECTION	26 10	WNSHIP	16-S		NGE 35-		<u>ымрм,</u>	<del>.</del>		·····
<b></b>	·	· <del>·</del>			TUBING D		T			
NAME OF STRING	SIZE	SETT	ING DEPTH	5	ACKS CEN	ENT	TOP OF CEME	NT	TOP DETE	RMINED BY
	13-3/8	400	<b>D</b>	35	0		circ.		<b></b>	
INTERMEDIATE	8-5/8	486	66	18	25		2390		temp. s	survey
LONG STRING	5-1/2	10.	,428	35	0		8082		temp. s	survey
TUBING	2		10,250	NAME.			F TUBING PACKER	<u>+</u>	10,250	
NAME OF PROPOSED INJECTION FORM	ATION	<u></u> _			TOP OF FO	RMATION			OF FORMATION	
Penn (Cisco)					10,	278		10	,442	
IS INJECTION THROUGH TUBING, CAST	NG, OR ANNULUS?		FERFORATION	S OR OF	EN HOLE?	PROPOSED	INTERVAL (S) OF INJE	CTION		
Tubing			Perfor	atio	ns	10	,278-10,442			
IS THIS A NEW WELL DRILLED FOR DISPESAL?	IF ANSWER IS	5 NO, FO	O, FOR WHAT PURPOSE WAS WE			INALLY DE	RILLEO?	HAS WELL EVER BEEN PERFORATED IN AN ZONE OTHER THAN THE PROPOSED INJEC-		ERFORATED IN ANY PROPOSED INJEC-
· No			. Oil	_				TION 20	No. O.H.	comp.
0.H. 10,428 to 10,					SQUEEZE EJ	сн				
DEPTH OF BOTTOM OF DEEPEST	442 WICH JO	DE TH	OF BOTTOM C	- NEXT	HIGHER		DEPTH OF TO	OF NEXT	LOWER	
FRESH WATER ZONE IN THIS AREA UNKNOWN		OIL OR	olfcamp	N THIS AREA				Devonian 12,687		
ANTICIPATED DAILY EMINIMUM	IMAXIMUM	<u> </u>	OPEN OR CLOS	-		15 IN.	JECTION TO BE BY GRA		·	SSURE (PSI)
(BBLS.)	500	/	Close	d	1	PRESS	Gravity - p		re 0-120	xo#
ANSWER YES OR NO WHETHER THE FC ERALIZED TO SUCH A DEGREE AS TO STOCK, IRRIGATION, OR OTHER GENER	LLOWING WATERS AF	RE MIN-	MIN- WATER TO BE I			DISPOSED OF NATURAL WATER IN DISPO		- ARE WATER ANALYSES ATTACHED?		
NAME AND ADDRESS OF SURFACE OWN	IER (OR LESSEE, IF	STATE O				<u>*</u>		L	100	
			•		(					
LIST NAMES AND ADDRESSES OF ALL	OPERATORS WITHIN	ONE-HAL	F { ] MILE OF	THIS	INJECTION	ËFO	RE EXAM	NER	UTZ	
					OIL	CON	SERVICION	C M.,	AISSION	
					+		EXHIBIT N	o	3	<u> </u>
					CA	SE NO	0. 450 h	· · · · ·		
WAVE COPIES OF THIS APPLICATION I SENT TO EACH OF THE FOLLOWING?	BEEN SURFACE OW	NER			EACH OPER	ATOR WIT	HIN ONE-HALF MILE	THE NEV	V MEXICO STATI	ENGINEER
ATE THE FOLLOWING ITEMS ATTACHE	D TU PLAT OF ARE	*			ELEC PILLA	LICC		DIAGRAN	MMATIC SKETCH	OF WELL
THIS APPLICATION (SEE RULE 701-B					1		•	1 1		•
L hereby a	ertify that the in	formati	on above is	true	nd comple	te to the	e best of my knowl	edge an	d belief	

A STATE OF THE OWNER OF THE OWNER OF

(Signature) (Title) (Date) NOTE: Should waivers from the State Engineer, the surface owner, and all operators within one-half mile of the proposed injection well, not accompany this application, the New Mexico Oil Conservation Commission will hold the application for a period of 15 days from the date of receipt by the Commission's Santa Fe office. If at the end of the 15-day waiting period no protest has been recrived 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.

EXHIBIT 3



EXHIBIT 4

# DOWELL DIVISION OF THE DOW CHEMICAL COMPANY

## WATER ANALYSIS REPORT

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TO: ATLANTIC RICHFIELD BROADMOOR CENTER HOBBS, NEW MEXICO

LABORATORY NO.: HOBBS DATE: 1/15/71

WELL NAME + NO.:	EIDSON A	DEPTH:	10400 FT
FIELD:	SHOE BAR	FORMATION:	PENN
COUNTY:	LEA	STATE: .	NEW MEXICO
SAMPLE PT .:	TREATER	SAMPLE ID:	WATER

DISSOLVED SOLIDS

OTHER PROPERTIES

CATIONS	MG/L	MEQ/L		
SODIUM, NA	50383	2186	PH =	6•50
CALCIUM, CA	6000	299	SP GR =	1.102
MAGNESIUM, MG	1824	150	RESISTIVITY=	•8000
ANIONS	•	/	· · · · ·	
CHLORIDES, CL	92542 V	2609	·	
SULFATES, SO4	1125	23		
BICARBONÀTES, HCO3	182	2		

THE CALCIUM SULFATE STABILITY INDEX IS -15.90

A NEGATIVE NUMBER INDICATES THE SCALE IN SOLUTION DOES NOT EXCEED THE SATURATION VALUE AND SHOULD NOT PRECIPITATE.

WELLS 3 AND 4	BEFORE EXAMPLER UTZ
	OIL CONSERVATION OF LANDARY
J.C. BARTON	CASE NO. 4506
	EXHIBIT NO.

ANALYSIS BASED ON API RECOMMENDED PROCEDURE

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# DOWELL DIVISION OF THE DOW CHEMICAL COMPANY

# WATER ANALYSIS REPORT

4

T0:	ATLANTIC	RICHFIELD	
	BROADMOC	DR CENTER	
	HOBBS, N	NEW MEXICO	88240

LABORATORY	NO.:	HOBBS	
DATE:		1/15/71	

WELL NAME + NO.:	EIDSON C	DEPTH:	10442 FT
FIELD:	SHOE BAR	FORMATION:	PENN
COUNTY:	1.EA	STATE:	NEW MEXICO
SAMPLE PT .:	WELLHEAD	SAMPLE ID:	WATER

DISSOLVED SOLIDS

OTHER PROPERTIES

. ....

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CATIONS	MG/L	MEQ/L		
SODIUM, NA Calcium, Ca Magnesium, Mg	51062 6199 1824	2216 309 150	PH = SP GR = RESISTIVITY=	6•20 1•106 •0000

ANIONS

CHLORIDES, CL	.93961	2649
SULFATES, SO4	1100	22
BICARBONATES, HCO3	182	2

THE CALCIUM SULFATE STABILITY INDEX IS -15-31

A NEGATIVE NUMBER INDICATES THE SCALE IN SOLUTION DOES NOT EXCEED THE SATURATION VALUE AND SHOULD NOT PRECIPITATE.

WE;; #3	BEFORE EXAMINER UTZ
	OIL CONSERVATION OF ALALDISH
	EXAMPLE NO. 7
J.C. BARTON	CASE NO. 4506
•••	EXHIBIT NO. 7

ANALYSIS BASED ON API RECOMMENDED PROCEDURE

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CLARENCE E. HINKLE W. E. BONDURANT, JR. LEWIS C. COX, JR. PAUL W. EATON, JR. CONRAD E. COFFIELD HAROLO L. HENSLEY, JR. STUART D. SHANOR C. D. MARTIN PAUL J. KELLY, JR.

LAW OFFICES HINKLE, BONDURANT, COX & EATON 600 HINKLE BUILDING POST OFFICE BOX IO ROSWELL, NEW MEXICO 88201

February 19, 1971

TELEPHONE (505) 622-6510 MIDLAND, TEXAS OFFICE BRI MIDLAND TOWER (915) MU 3-4691

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Oil Conservation Commission Box 2088 Santa Fe, New Mexico 87501

#### Gentlemen:

We enclose herewith application of Atlantic Richfield Company for approval of salt water disposal in the Shoe Bar Penn Pool, which has been placed on the examiner's docket for February 24 as Case No. 4506.

Yours very truly,

HINKLE, BONDURANT, COX & EATON

By Clarence & Heikle

CEH:cs Enc.

### BEFORE THE OIL CONSERVATION COMMISSION

### STATE OF NEW MEXICO

APPLICATION OF ATLANTIC RICHFIELD COMPANY FOR APPROVAL OF THE CON-VERSION OF ITS EIDSON "C" WELL WN NO. 3 LOCATED IN UNIT F, SECTION 26, TOWNSHIP 16 SOUTH, RANGE 35 EAST, LEA COUNTY FOR THE PURPOSE OF DISPOSING OF PRODUCED SALT WATER IN THE PENNSYLVANIAN FORMATION IN THE SHOE BAR PENN POOL THROUGH PER-FORATIONS FROM 10,278 FEHT TO 10,442 FEET.

Case No. 4506

Oil Conservation Commission Box 2088 Santa Fe, New Mexico 87501

Comes Atlantic Richfield Company, acting by and through the undersigned attorneys, and hereby makes application for approval of the conversion of its Eidson "C" Well WN No. 3 located in Unit F, Section 26, Township 16 South, Range 35 East, Lea County for the purpose of disposing of produced salt water in the Pennsylvanian formation in the Shoe Bar Penn Pool through perforations from 10,278 feet to 10,442 feet, and in support thereof respectfully shows:

1. Atlantic Richfield is the owner of certain oil and gas leases embracing the SE4NW4 and N4SW4 Section 26, Township 16 South, Range 35 East, N.M.P.M. That applicant is the owner of 3 wells located on said lands producing from the Shoe Bar Penn Pool, Lea County. There is attached hereto, made a part hereof and for purposes of identification marked Exhibit "A", a structural plat contoured on top of the Cisco formation showing the location of said 3 wells. Atlantic Richfield is also the owner of a fourth well producing from the extreme southeast portion of the Shoe Bar Penn Pool located in the NE4SE4 Section 35, Township 16 South, Range 35 East which is also shown on said plat. All of said wells are in the stripper stage of production and are on the borderline of becoming uneconomical to operate. At the present time the water being produced from said wells is being hauled for disposal. 2. Applicant's Eidson "C" WN No. 3 well located 1980 feet from the west line and 2310 feet from the north line of Unit F, of said Section 26 is at a point where the volume of water produced in relation to the volume of oil is going to necessitate abandonment of the same. Rather than abandon the well, applicant is desirous of converting the same to a sal: water disposal well, and to use the same perforations from which oil is presently being produced for the purpose of injection of water. There is attached hereto, made a part hereof and for purposes of identification marked Exhibit "B", a diagrammatic sketch of said well showing all casing strings, including diameters and setting depths, quantities used and tops of cement, perforated intervals, tubing strings, including diameters and setting depths, together with the location of the packer to be used.

3. Applicant is of the opinion that the injection of water into the presently producing formation will not be harmful to the other producing wells and, if anything, may help the same, and that such injection will be in the interests of conservation and the prevention of waste and will tend to protect correlative rights. In the event the injection of water into the present perforations should prove to be difficult, applicant would like the order approving the conversion of said well to an injection well to provide that said well may be deepened a few feet and water injected in the open hole into the Pennsylvanian formation.

4. There is filed herewith an electrical log of the proposed injection well.

5. Applicant requests that this matter be included on the docket for the next examiner's hearing.

Respectfully submitted,

APLANSIS RICHFIELD COMPANY Bv Member of the Firm of

HINKLE, BONDURANT, COX & EATON P.O. Box 10 Roswell, New Mexico 88201 Attorneys for Applicant



EXHIBIT B

DRAFT

GMH/esr

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. 4506

Order No. R-1/

APPLICATION OF ATLANTIC RICHFIELD COMPANY 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 February 24, 1971, at Santa Fe, New Mexico, before Examiner Elvis A. Utz

NOW, on this \_\_\_\_\_\_ day of 2na, 1971, the Commission, a guorum 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, <u>Atlantic Richfield Company</u>, is the owner and operator of the <u>Eidson "C" WN Well No. 3</u>, located in Unit <u>F</u> of Section <u>26</u>, Township <u>16</u> <u>South</u>, Range <u>35</u> <u>East</u>, <u>NMPM</u>, <u>Shoe Bar-Pennsylvanian Pool</u>, <u>Lea</u> County, New Mexico.

(3) That the applicant proposes to utilize said well to dispose of produced salt water into the <u>Pennsylvanian</u> formation, with injection into the <u>perforated</u> interval from approximately <u>10,278</u> feet to <u>10,442</u> feet.

(4) That the injection should be accomplished through

**2** inch <del>plastic-lined</del> tubing installed in a packer set at

-2-CASE No. 4506

approximately **/0250** feet; that the casing-tubing annulus should be filled with an inert fluid; and that a pressure gauge should be attached to the annulus <del>or the annulus left open</del> at the surface in order to determine leakage in the casing, tubing, or packer.

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

### IT IS THEREFORE ORDERED:

(1) That the applicant, <u>Atlantic Richfield Company</u>, is hereby authorized to utilize its <u>Eidson "C" WN Well No. 3</u>, located in Unit <u>F</u> of Section <u>26</u>, Township <u>16</u> <u>South</u>, Range <u>35</u> <u>East</u>, NMPM, <u>Shoe Bar-Pennsylvanian Pool</u>, <u>Lea</u> County, New Mexico, to dispose of produced salt water into the <u>Pennsylvanian</u> formation, injection to be accomplished through <u>2</u>-inch tubing installed in a packer set at approximately <u>10,250</u> feet, with injection into the <u>perforated</u> interval from approximately <u>10,278</u> feet to <u>10,442</u> feet;

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

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

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

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

2/ Jan 2/2 ( Cin ) Commune Tea H 396 # 3 G 35 158 36 Pa disposed prot SW Des form Dean prf mt 13690 - 13726. El Pichfield F 26 165 35E P dis DSW Penne Shac Box Penne partial 10 278 to 10442