

CASE 5753: A. H. RAINS for
amendment of Order No. R-5217,
Eddy County, New Mexico

CASE NO.

5753

APPLICATION,
TRANSCRIPTS,
SMALL EXHIBITS,
ETC.

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

Operator A.H. RAINS			Lease STATE		Well No. 8
Unit Letter 0	Section 15	Township 21 S	Range 27 E	County EDDY	
Actual Postage Location of Well: 2268 feet from the SOUTH line of 2032 feet from the EAST line					
Ground Level Elev. 3274'	Producing Formation YATES	Pool MAGRADER-YATES		Dedicated Acreage: 80 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.

2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).

3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.

CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

A.H. RAINS
Name

OPERATOR
Position

A.H. RAINS
Company

9-13-1976
Date

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed **08-29-76**

Registered Professional Engineer and/or Land Surveyor
Geo. D. Riggs

Certificate No. **707**

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BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
September 15, 1976

EXAMINER HEARING

IN THE MATTER OF:

Application of A. H. Rains for amend-) CASE
ment of Order No. R-5217, Eddy County,) 5753
New Mexico.)

BEFORE: Richard L. Stamets, Examiner

TRANSCRIPT OF HEARING

A P P E A R A N C E S

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

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

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I N D E X

Page

A. H. RAINS

Direct Examination by Mr. Carr

3

Direct Examination by Mr. Stamets

4

EXHIBIT INDEX

Offered

Admitted

Applicant's Exhibit One, Form C-108

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Applicant's Exhibit Two, Form C-102

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1 MR. STAMETS: We will call next Case 5753.

2 MR. CARR: Case 5753, application of A. H. Rains
3 for amendment of Order No. R-5217.

4 MR. STAMETS: Mr. Rains, are you here representing
5 yourself today?

6 MR. RAINS: Yes, sir.

7 MR. STAMETS: We would like to have you stand and be
8 sworn, please?

9 (THEREUPON, the witness was duly sworn.)

10
11 A. H. RAINS
12 called as a witness, having been first duly sworn, was
13 examined and testified as follows:

14
15 DIRECT EXAMINATION

16 BY MR. CARR:

17 Q Would you state your full name for the record,
18 please?

19 A A. H. Rains.

20 Q Mr. Rains, you are the applicant in this case?

21 A Yes, sir.

22 Q Would you please explain to the Examiner what you
23 are seeking with this application?

24 A I was here in May, you know, and got permission for
25 a water injection well. Now, I would like to get this changed

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 Phone (505) 982-9212

1 to drill a new well out-and-out.

2 MR. STAMETS: Do you have a copy of the original
 3 order with you, Mr. Rains?

4 A. Yes, I do.

5 MR. STAMETS: Mr. Rains, this Magruder-Yates is an
 6 old pool, is it not?

7 A. Yes, sir, it is.

8 MR. STAMETS: And I believe you indicated that you
 9 were going to go back into an old hole in attempting to complete
 10 that as a salt water disposal well, is that correct?

11 A. Yes, sir.

12 MR. STAMETS: Have you done that as yet?

13 A. No, sir. We did do some bailing on the well in
 14 seeing that it did not produce enough oil to be worth keeping.

15 MR. STAMETS: So instead of using this well for
 16 disposal you now seek to use it as a producing well?

17 A. That's right.

18 MR. STAMETS: So then you would propose to substitute
 19 another well for this disposal well?

20 A. Yes, sir.

21 MR. STAMETS: Would this be a new well?

22 A. A new well just out-and-out, just drill a new one.

23 MR. STAMETS: And that is the Well No. 8 which you
 24 have shown on Form C-108 which you have handed me here?

25 A. Yes.

1 MR. STAMETS: I think perhaps we should have this
2 Form 108 marked Exhibit Number One in this case.

3 Now, Mr. Rains, supposing that you were to drill
4 Well No. 8 and it turned out to be a good oil producer?

5 A. I would like to produce it and then still drill
6 another. I would like to have it flexible where I could do
7 either one.

8 MR. STAMETS: So until you have found a well in
9 the area that would be acceptable to salt water disposal,
10 you are not sure which one you are really going to use?

11 A. That's right.

12 MR. STAMETS: Now, in your application you seek
13 administrative procedure for the approval of a substitute or
14 additional salt water disposal wells on this Pure State Lease.
15 I presume you would seek to file an application in accordance
16 with the seven hundred series rules on filing applications,
17 filed on Form C-108 with appropriate notice and so on?

18 A. Yes, sir.

19 MR. STAMETS: And the well construction then would
20 be in the same manner which you originally proposed in
21 Case 5681 and the construction would follow more or less what
22 was set out for the Pure State No. 1, the original well?

23 A. Yes, sir, only we are going to instead of setting
24 seven-inch pipe, I want to set eight-inch pipe.

25 MR. STAMETS: That's the surface pipe?

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1 A That's the surface pipe and then five-and-a-half on
2 the long string.

3 MR. STAMETS: To your knowledge is there any fresh
4 water in this area?

5 A Well, as far as we know there is not any.

6 MR. STAMETS: Now, will the water be going back into
7 the producing horizon or below the producing horizon?

8 A Well, that I don't know for sure yet until I get
9 it drilled. I would like to put it below the other formations,
10 the one that we are producing in.

11 MR. STAMETS: Why is that?

12 A Well, it might wind up where we would just be
13 circulating it, you know. We first planned to put it back in
14 the same formation but after talking to my geologist he said
15 that it would probably be better to put it below if we could
16 find a place to put it, so we might end up putting it both
17 places.

18 MR. STAMETS: Okay, if the water were to go into
19 a different zone in the Delaware would you be willing to
20 supply a water analysis on this zone?

21 A I sure would.

22 Another thing I would like to do, I would like to
23 change this Pure State to Exxon State if that's all right.

24 MR. STAMETS: But it would still be the same lease?

25 A It would be the same lease except it would just be

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1 Exxon instead of Pure.

2 MR. STAMETS: Are there any other questions of the
3 witness?

4 Mr. Rains, you have submitted a Form C-102 along
5 with Form C-108 and this lists the location of this injection
6 well as twelve hundred and sixty-eight feet from the south
7 line and two thousand and thirty-two feet from the east line.
8 Is this a standard unit out there? It appears on your scaled-
9 out drawing here that that is closer than three hundred and
10 thirty feet?

11 A. Yes, sir, that is true but the way I understand as
12 long as it borders the lease on both sides it's permissible
13 but if you were on an outline of some other lease you
14 couldn't do that.

15 MR. STAMETS: So you have here an unorthodox
16 location. In your administrative procedure would you seek
17 to have authority for additional salt water disposal wells at
18 unorthodox locations in this area?

19 A. Yes.

20 MR. STAMETS: But since this is an application only
21 for salt water disposal wells that would not apply to producing
22 wells and you should understand that if you get a producing
23 well at an unorthodox location you will have to have a hearing
24 for approval of that location.

25 A. To produce it, you mean?

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1 MR. STAMETS: Yes.

2 A. Yes. But for salt water I could.

3 MR. STAMETS: Any other questions of the witness?

4 Q. (Mr. Carr continuing.) Is it your intention to
5 offer Exhibits One and Two in this case?

6 A. Yes, sir.

7 MR. STAMETS: Exhibits One and Two will be admitted
8 into evidence.

9 (THEREUPON, Applicant's Exhibits One
10 and Two were admitted into evidence.)

11 MR. STAMETS: Any other questions of the witness?
12 He may be excused.

13 (THEREUPON, the witness was excused.)

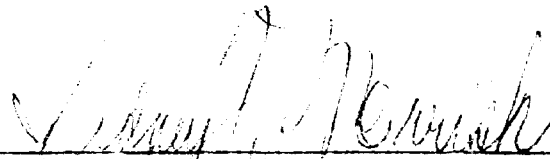
14 MR. STAMETS: Anything further in this case? We
15 will take the case under advisement.

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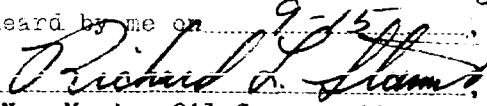
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REPORTER'S CERTIFICATE

I, SIDNEY F. MORRISH, a Certified Shorthand 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, C.S.R.

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

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 5753,
heard by me on 9-15-76, 1976.

Richard L. Stamm, Examiner
New Mexico Oil Conservation Commission

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. 5753
Order No. R-5217-A

APPLICATION OF A. H. RAINS FOR
AMENDMENT OF ORDER NO. R-5217,
EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on September 15, 1976, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 12th day of October, 1976, 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 by Commission Order No. R-5217 dated May 18, 1976, the applicant, A. H. Rains, was granted authority to utilize his Pure State Well No. 1, located in Unit J of Section 15, Township 21 South, Range 27 East, NMPM, Magruder-Yates Pool, Eddy County, New Mexico, as a salt water disposal well for water production from said Pure State Lease.

(3) That it now appears that said Pure State Well No. 1 may be better utilized as a producing well.

(4) That the applicant seeks the amendment of Order No. R-5217 to provide an administrative procedure for the approval of substitute or additional salt water disposal wells on said Pure State Lease in Section 15, Township 21 South, Range 27 East, Magruder-Yates Pool, Eddy County, New Mexico.

(5) That the applicant is the only operator in said Magruder-Yates Pool.

(6) That approval of the application may result in greater recovery of oil from said Pure State Lease, will not cause waste, will not violate correlative rights, and will not endanger fresh waters provided that proper well construction and monitoring procedures are required.

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Case No. 5753
Order No. R-5217-A

(7) That the application should be approved.

IT IS THEREFORE ORDERED:

(1) That Order (1), (2), and (3), of Commission Order No. R-5217 are hereby amended to read in their entirety as follows:

"(1) That the applicant, A. H. Rains, is hereby authorized to utilize his Pure State Well No. 1, located in Unit J of Section 15, Township 21 South, Range 27 East, NMPM, Magruder-Yates Pool, Eddy County, New Mexico, to dispose of produced salt water into the Yates formation, injection to be accomplished through 2 3/8-inch tubing installed in a packer set at approximately 535 feet, with injection into the open-hole interval from approximately 540 feet to 551 feet.

"(2) The Secretary-Director of the Commission is hereby authorized to approve such additional or substitute injection wells at orthodox and unorthodox locations within the boundaries of applicant's Pure State Lease as may be necessary to handle produced water therefrom, provided said wells are located no closer than 660 feet to the outer boundary of said lease nor closer than 10 feet to any quarter-quarter section or subdivision inner boundary. To obtain such approval, the operator shall file proper application with the Commission, which application shall include the following:

(a) A plat showing the location of the proposed well, all wells within the project area, and offset operators, locating wells which offset the project area.

(b) A schematic drawing of the proposed disposal well which fully describes the casing, tubing, perforated interval, and depth.

(c) A letter stating that all offset operators to the proposed well have been furnished a complete copy of the application and the date of notification.

The Secretary-Director may approve the proposed well if, within 20 days after receiving the application, no objection to the proposal is received. The Secretary-Director may grant immediate approval of the application upon receipt of waivers from offsetting operators.

"(3) That terms and conditions of approval of any disposal well under provisions of this order shall be as follows:

(a) That the casing-tubing annulus shall be filled with an inert fluid, and that a pressure gauge shall be attached to the annulus or the annulus shall be equipped

-3-

Case No. 5753
Order No. R-5217-A

with an approved leak detection device in order to determine leakage in the casing, tubing, or packer.

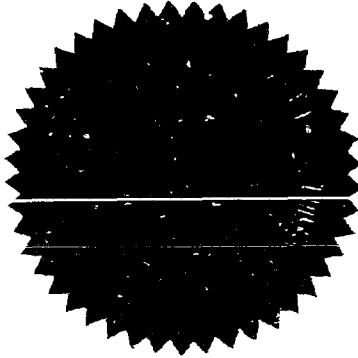
(b) That the operator shall notify the supervisor of the Artesia district office of the Commission of the date and time of the installation of disposal equipment so that the same may be inspected.

(c) That the operator shall immediately notify the supervisor of the Commission's Artesia district office of the failure of the tubing, casing, or packer, in said well or the leakage of water from or around said well and shall take such steps as may be timely and necessary to correct such failure or leakage.

(2) 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, Chairman

Emery G. Arnold
EMERY G. ARNOLD, Member

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

S E A L

jr/

NEW MEXICO OIL CONSERVATION COMMISSION
APPLICATION TO DISPOSE OF SALT WATER BY INJECTION INTO A POROUS FORMATION

OPERATOR A.H. Rains		ADDRESS Box 927, Carlsbad, New Mexico, 88220			
LEASE NAME Exxon State	WELL NO. 8	FIELD Magruder-Yates	COUNTY Eddy		
LOCATION UNIT LETTER <u>0</u> ; WELL IS LOCATED <u>1268</u> FEET FROM THE <u>South</u> LINE AND <u>2032</u> FEET FROM THE <u>East</u> LINE, SECTION <u>15</u> TOWNSHIP <u>21</u> South RANGE <u>27</u> East NMPM.					
CASING AND TUBING DATA					
NAME OF STRING	SIZE	SETTING DEPTH	SACKS CEMENT	TOP OF CEMENT	TOP DETERMINED BY
SURFACE CASING	8"	175'	Circulated		
INTERMEDIATE					
LONG STRING					
To Be Set	5½"	540'-600'	Circulated	Surface	
TUBING	2 3/8"	540'-600'	NAME, MODEL AND DEPTH OF TUBING PACKER Guiberson Hookwall 540'-600'		
NAME OF PROPOSED INJECTION FORMATION Yates		TOP OF FORMATION Unknown		BOTTOM OF FORMATION Unknown	
IS INJECTION THROUGH TUBING, CASING, OR ANNULUS? No		PERFORATIONS OR OPEN HOLE? Open Hole		PROPOSED INTERVAL(S) OF INJECTION 550'-700'	
IS THIS A NEW WELL DRILLED FOR DISPOSAL? Yes		IF ANSWER IS NO, FOR WHAT PURPOSE WAS WELL ORIGINALLY DRILLED? Water Disposal		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 No Fresh Water In Area					
DEPTH OF BOTTOM OF DEEPEST FRESH WATER ZONE IN THIS AREA None		DEPTH OF BOTTOM OF NEXT HIGHER OIL OR GAS ZONE IN THIS AREA None		DEPTH OF TOP OF NEXT LOWER OIL OR GAS ZONE IN THIS AREA 11,000' Gas	
ANTICIPATED DAILY INJECTION VOLUME (BBL/D)	MINIMUM	MAXIMUM	OPEN OR CLOSED TYPE SYSTEM Closed	IS INJECTION TO BE BY GRAVITY OR PRESSURE? Gravity	APPROX. PRESSURE (PSI) 125
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 - Yes			WATER TO BE DISPOSED OF Same		NATURAL WATER IN DISPOSAL ZONE Yes
NAME AND ADDRESS OF SURFACE OWNER (OR LESSEE, IF STATE OR FEDERAL LAND) J.D. Spears, Box 1017, Carlsbad, New Mexico, 88220					
LIST NAMES AND ADDRESSES OF ALL OPERATORS WITHIN ONE-HALF (½) MILE OF THIS INJECTION WELL Yates Petroleum Corporation, Artesia, New Mexico, 88210 Perry Bass, Midland, Texas					
Application of A.H. Rains for amendment of Order No. R-5217, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Order No. R-5217 to provide an administrative procedure for the approval of substitute or additional salt water disposal well on applicant's Pure State Lease in Section 15, Township 21 South, Range 27 East, Magruder Yates Pool, Eddy County, New Mexico.					
HAVE COPIES OF THIS APPLICATION BEEN SENT TO EACH OF THE FOLLOWING?		SURFACE OWNER		EACH OPERATOR WITHIN ONE-HALF MILE OF THIS WELL	
ARE THE FOLLOWING ITEMS ATTACHED TO THIS APPLICATION (SEE RULE 701-B)		PLAT OF AREA		ELECTRICAL LOG	
				DIAGRAMMATIC SKETCH OF WELL	

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

A.H. Rains
(Signature)

(Title)

9-15-76
(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 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.

NEW MEXICO OIL CONSERVATION COMMISSION

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

OPERATOR A.H. Rains		ADDRESS Box 927, Carlsbad, New Mexico, 88220			
LEASE NO. Exxon State	WELL NO. 8	FIELD Magruder-Yates	COUNTY Eddy		
LOCATION UNIT LETTER 0 1268 South 2032 East LINE, SECTION 15 TOWNSHIP 21 South RANGE 27 East N.M.P.M.					
CASING AND TUBING DATA					
NAME OF STRING	SIZE	SETTING DEPTH	SACKS CEMENT	TOP OF CEMENT	TOP DETERMINED BY
SURFACE CASING	8"	175'	Circulated		
INTERMEDIATE					
LONG STRING					
To Be Set	5 1/2"	540'-600'	Circulated	Surface	
TUBING	2 3/8"	540'-600'	NAME, MODEL AND DEPTH OF TUBING PACKER Guiberson Hookwall 540'-600'		
NAME OF PROPOSED INJECTION FORMATION Yates			TOP OF FORMATION Unknown		BOTTOM OF FORMATION Unknown
IS INJECTION THROUGH TUBING, CASING, OR ANNULUS?		PERFORATIONS OR OPEN HOLES?		PROPOSED INTERVAL(S) OF INJECTION	
No		Open Hole		550'-700'	
IS THIS A NEW WELL DRILLED FOR DISPOSAL?		IF ANSWER IS NO, FOR WHAT PURPOSE WAS WELL ORIGINALLY DRILLED?			HAS WELL EVER BEEN PERFORATED IN ANY ZONE OTHER THAN THE PROPOSED INJECTION ZONE?
Yes		Water Disposal			No
LIST ALL SUCH PERFORATED INTERVALS AND SACKS OF CEMENT USED TO SEAL OFF OR SQUEEZE EACH					
No Fresh Water In Area					
DEPTH OF BOTTOM OF DEEPEST FRESH WATER ZONE IN THIS AREA		DEPTH OF BOTTOM OF NEXT HIGHER OIL OR GAS ZONE IN THIS AREA		DEPTH OF TOP OF NEXT LOWER OIL OR GAS ZONE IN THIS AREA	
None		None		11,000' Gas	
ANALYSED DAILY INJECTION VOLUME		MAXIMUM	OPEN OR CLOSED TYPE SYSTEM	IS INJECTION TO BE BY GRAVITY OR PRESSURE?	APPROX. PRESSURE (PSI)
			Closed	Gravity	125
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		NATURAL WATER IN DISPOSAL ZONE
			Yes		Same
NAME AND ADDRESS OF SURFACE OWNER (OR LESSEE, IF STATE OR FEDERAL LAND)			ARE WATER ANALYSES ATTACHED?		
J.D. Spears, Box 1017, Carlsbad, New Mexico, 88220			Yes		
LIST NAMES AND ADDRESSES OF ALL OPERATORS WITHIN ONE-HALF MILE OF THIS INJECTION WELL					
Yates Petroleum Corporation, Artesia, New Mexico, 88210					
Perry Bass, Midland, Texas					
Application of A.H. Rains for amendment of Order No. R-5217, Eddy County, New Mexico.					
Applicant, in the above-styled cause, seeks the amendment of Order No. R-5217 to provide an administrative procedure for the approval of substitute or additional salt water disposal well on applicant's Pure State Lease in Section 15, Township 21 South, Range 27 East, Magruder Yates Pool, Eddy County, New Mexico.					
HAVE COPIES OF THIS APPLICATION BEEN SENT TO EACH OF THE FOLLOWING?		SURFACE OWNER		EACH OPERATOR WITHIN ONE-HALF MILE OF THIS WELL	
ARE THE FOLLOWING ITEMS ATTACHED TO THIS APPLICATION (SEE RULE 701-B)		PLAY OF AREA		ELECTRICAL LOG	
				DIAGRAMMATIC SKETCH OF WELL	

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

A.H. Rains
(Signature)

(Title)

9-15-76
(Date)

NOTE: Should notices 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 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.

NEW MEXICO OIL CONSERVATION COMMISSION

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

OPERATOR A.H. Rains		ADDRESS Box 927, Carlsbad, New Mexico, 88220			
LEASE NAME Exxon State	WELL NO. 8	FIELD Magruder-Yates	COUNTY Eddy		
LOCATION UNIT LETTER 0 ; WELL IS LOCATED 1268 FEET FROM THE South LINE AND 2032 FEET FROM THE East LINE, SECTION 15 TOWNSHIP 21 South RANGE 27 East NMPM.					
CASING AND TUBING DATA					
NAME OF STRING	SIZE	SETTING DEPTH	SACKS CEMENT	TOP OF CEMENT	TOP DETERMINED BY
SURFACE CASING	8"	175'	Circulated		
INTERMEDIATE					
LOG STRING					
To Be Set	5 1/2"	540'-600'	Circulated	Surface	
TUBING	2 3/8"	540'-600'	NAME, MODEL AND DEPTH OF TUBING PACKER Guiberson Hookwall 540'-600'		
NAME OF PROPOSED INJECTION FORMATION Yates		TOP OF FORMATION Unknown		BOTTOM OF FORMATION Unknown	
IS INJECTION THROUGH TUBING, CASING, OR ANNULUS? No		PERFORATIONS OR OPEN HOLE? Open Hole		PROPOSED INTERVAL(S) OF INJECTION 550'-700'	
IS THIS A NEW WELL DRILLED FOR DISPOSAL? Yes		IF ANSWER IS NO, FOR WHAT PURPOSE WAS WELL ORIGINALLY DRILLED? Water Disposal		HAS WELL EVER BEEN PERFORATED IN ANY ZONE OTHER THAN THE PROPOSED INJECTION ZONE? No	
LIST ALL SUCH PERFORATION INTERVALS AND SACKS OF CEMENT USED TO SEAL OFF OR SQUEEZE EACH No Fresh Water In Area					
DEPTH OF BOTTOM OF DEEPEST FRESH WATER ZONE IN THIS AREA None		DEPTH OF BOTTOM OF NEXT HIGHER OIL OR GAS ZONE IN THIS AREA None		DEPTH OF TOP OF NEXT LOWER OIL OR GAS ZONE IN THIS AREA 11,000' Gas	
ANTICIPATED DAILY INJECTION VOLUME (BBLS.)	MINIMUM	MAXIMUM	OPEN OR CLOSED TYPE SYSTEM Closed	IS INJECTION TO BE BY GRAVITY OR PRESSURE? Gravity	APPROX. PRESSURE (PSI) 125
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 Same	ARE WATER ANALYSES ATTACHED? Yes
NAME AND ADDRESS OF SURFACE OWNER (OR LESSEE, IF STATE OR FEDERAL LAND) J.D. Spears, Box 1017, Carlsbad, New Mexico, 88220					
LIST NAMES AND ADDRESSES OF ALL OPERATORS WITHIN ONE-HALF (1/2) MILE OF THIS INJECTION WELL Yates Petroleum Corporation, Artesia, New Mexico, 88210 Perry Bass, Midland, Texas					
Application of A.H. Rains for amendment of Order No. R-5217, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Order No. R-5217 to provide an administrative procedure for the approval of substitute or additional salt water disposal well on applicant's Pure State Lease in Section 15, Township 21 South, Range 27 East, Magruder Yates Pool, Eddy County, New Mexico.					
HAVE COPIES OF THIS APPLICATION BEEN SENT TO EACH OF THE FOLLOWING?		SURFACE OWNER		EACH OPERATOR WITHIN ONE-HALF MILE OF THIS WELL	
ARE THE FOLLOWING ITEMS ATTACHED TO THIS APPLICATION (SEE RULE 701-B)?		FLAT OF AREA		ELECTRICAL LOG	
				DIAGRAMMATIC SKETCH OF WELL	

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

A.H. Rains
(Signature)

(Title)

9-15-76
(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 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.

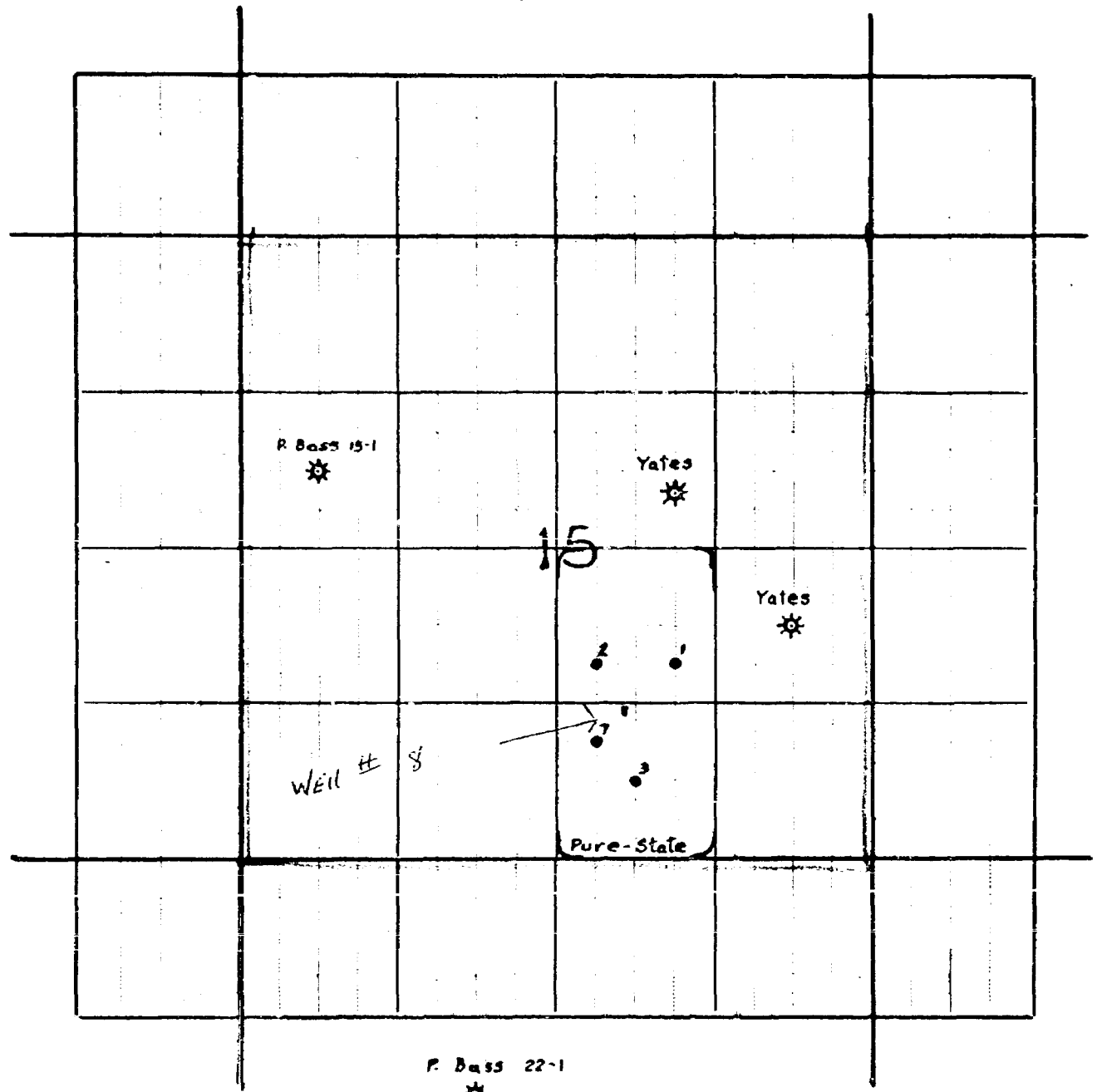
MAGRUDER FIELD

Section 15 Township 21 S Range 27 E N.M.P.M. County Eddy NM

Township No. 53 No. Figure 513 Scale 1 inch 1 Mile - In Stock and For Sale by THE OILS PRESS, Tulsa, Oklahoma

EXXON STATE

Scale 4" = 1 mile





REPORT OF WATER ANALYSIS

From A.H. Rains
Covington, N.S.

Date 9-7-76
Sampling Date 9-1-76

Sample Marked


DISSOLVED SOLIDS	mg/L.	meq/L.
Cations		
Sodium, Na (Calc.)	14700	640
Calcium, Ca	1080	54
Magnesium, Mg	1040	86
Barium, Ba		
Total	16847	780.
Anions		
Chloride, Cl	24300	684.
Sulfate, SO ₄	4390	91.5
Carbonate, CO ₃	0	0
Bicarbonate, HCO ₃	281	4.6
Total	28955	780.
Total Dissolved Solids (Calc.)	45801	
Total Iron, Fe	14	
Acidity to Phenolphthalein, CO ₂	13.2	
OTHER PROPERTIES		
pH	7.0	
Specific Gravity	1.028	
Turbidity (JTU)	30.	

Bob George

Analyst

NALCO CHEMICAL COMPANY
VISCO CHEMICALS

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5-264

Application of R. H. Rains
for an amendment of Commission
Order No R 5217.

Applicant seeks an amendment
of said order to provide an
administrative procedure for the
approval of substitute or
additional saltwater disposal
wells on applicant's ~~and~~ Pure
State Lease, SE 14
Sec 15 - T 21S - R 27 E, Magruder
Yates Pool, Eddy County, New
Mexico.

R. H. Rains 8-19-76

PO Box 927
Carlsbad, N.M.

DRAFT

RLS/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. 5753

Order No. R- 5217-A

APPLICATION OF A.H. RAINS FOR
AMENDMENT OF ORDER NO.
R-5217, EDDY COUNTY, NEW MEXICO

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on September 15,
19 76, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this day of October, 19 76, 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 by Commission Order No. R-5217 dated May 18, 1976,
the applicant, A. H. Rains, was granted authority to utilize his
Pure State Well No. 1, located in Unit J of Section 15, Township
21 South, Range 27 East, NMPM, Magruder-Yates Pool, Eddy County,
New Mexico, as a salt water disposal well for production from said
Pure State Lease.

(3) That it now appears that said Pure State Well No. 1 may be better utilized as a producing well.

(4) That the applicant seeks the amendment of Order No. R-5217 to provide an administrative procedure for the approval of substitute or additional salt water disposal wells on ~~applicant's~~ ^{said} Pure State Lease in Section 15, Township 21 South, Range 27 East, Magruder-Yates Pool, Eddy County, New Mexico.

(5) That the applicant is the only operator in said Magruder-Yates Pool.

(6) That approval of the application may result in greater ~~recovery~~ ^{recovery} of oil from said Pure State Lease, will not cause waste, will not violate correlative rights, and will not endanger fresh waters provided that proper well construction and monitoring procedures are required.

(7) That the application should be approved.

IT IS THEREFORE ORDERED:

(1) That Order (1), (2), and (3), of Commission Order No. R-5217 are hereby amended to read in ~~there~~ ^{their} entirety as follows:

"(1) That the applicant, A. H. Rains, is hereby authorized to utilize ~~its~~ ^{his} Pure State Well No. 1, located in Unit J of Section 15, Township 21 South, Range 27 East, NMPM, Magruder-Yates Pool, Eddy County, New Mexico, to dispose of produced salt water into the Yates formation, injection to be accomplished through 2 3/8-inch tubing installed in a packer set at approximately 535 feet, with injection into the open-hole interval from approximately 540 feet to 551 feet."

"(2) The Secretary-Director of the Commission is hereby authorized to approve such additional or substitute injection wells at orthodox and unorthodox locations within the boundaries of applicant's Pure State Lease as may be necessary to handle produced water therefrom, provided said wells

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Case No. 5753
Order No. R-5217-A

are located no closer than 660 feet to the outer boundary of said lease nor closer than 10 feet to any quarter-quarter section or subdivision inner boundary. To obtain such approval, the operator shall file proper application with the Commission, which application shall include the following:

(a) A plat showing the location of proposed well, all wells within the project area, and offset operators, locating wells which offset the project area.

(b) A schematic drawing of the proposed disposal well which fully describes the casing, tubing, perforated interval, and depth.

(c) A letter stating that all offset operators to the proposed well have been furnished a complete copy of the application and the date of notification.

The Secretary-Director may approve the proposed well if, within 20 days after receiving the application, no objection to the proposal is received. The Secretary-Director may grant immediate approval of the application upon receipt of waivers from offsetting operators."

"(3) That terms and conditions ~~of~~ approval of any disposal well under provisions of this order shall be as follows:

(a) That the casing-tubing annulus shall be filled with an inert fluid, and that a pressure gauge shall be attached to the annulus or the annulus shall be equipped with an approved leak detection device in order to determine leakage in the casing, tubing, or packer.

(b) That the operator shall notify the supervisor of the Artesia district office of the Commission of the date and time of the installation of disposal equipment so that the same may be inspected.

(c) That the operator shall immediately notify the

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Case No. 5753

Order No. R-5217-A

supervisor of the Commission's Artesia district office of the failure of the tubing, casing, or packer, in said well or the leakage of water from or around said well and shall take such steps as may be timely and necessary to correct such failure or leakage.

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

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