

CASE 6671: CHAPMAN AND SCHNEIDER FOR
SALT WATER DISPOSAL, LEA COUNTY, NEW
MEXICO

Out to Det 2

CASE NO.

6471

APPLICATION,
TRANSCRIPTS,
SMALL EXHIBITS,
ETC.

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
State Land Office Building
Santa Fe, New Mexico
17 October, 1979

EXAMINER HEARING

IN THE MATTER OF:

Application of Chapman and Schneider
for salt water disposal, Lea County,
New Mexico.

CASE
667I

BEFORE: Daniel S. Nutter

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Applicant:

W. Thomas Kellahin
KELLAHIN AND KELLAHIN
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Santa Fe, New Mexico 87501

For the Oil Conservation
Division:

Ernest L. Padilla, Esq.
Legal Counsel for the Division
State Land Office Building
Santa Fe, New Mexico 87503

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I N D E X

PAUL G. WHITE

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MR. NUTTER: Call Case Number 6671.

MR. PADILLA: Application of Chapman and
Schneider for salt water disposal, Lea County, New Mexico.

MR. KELLAHIN: Tom Kellahin, appearing on
behalf of the applicant. And I have one witness.

(Witness sworn.)

PAUL G. WHITE

being called as a witness and having been duly sworn upon
his oath, testified as follows, to-wit:

DIRECT EXAMINATION

BY MR. KELLAHIN:

Q Mr. White, would you please state your
name, by whom you're employed, and in what capacity?

A Paul G. White, Consultant Petroleum En-
gineer, Artesia, New Mexico.

Q As a petroleum engineer, Mr. White, have
you previously testified before the New Mexico Oil Conser-
vation Division?

A Yes, sir, I have.

Q And pursuant to your employment by the
Applicant, have you made a study of his proposed salt water
disposal well?

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1 A. Yes, sir, I have.

2 MR. KELLAHIN: We tender Mr. White as an
3 expert witness.

4 MR. NUTTER: Mr. White is qualified.

5 Q (Mr. Kellahin continuing.) Mr. White,
6 would you please refer to applicant's Exhibit Number One,
7 identify the proposed location of the salt water disposal
8 well and the other information contained on that exhibit?

9 A. Yes, sir. The green dot on the exhibit,
10 on the plat, identifies the Chapman and Schneider Ogg A Well
11 No. 3, which is located 1980 feet from the north line and
12 660 feet from the west line in Section 35, Township 24
13 South, Range 36 East, Lea County, New Mexico.

14 Q Mr. White, what is the proposed zone of
15 disposal?

16 A. They proposed to dispose the produced
17 salt water in the Seven Rivers Reef formation, which occurs
18 in the open hole interval in this well from 3422 to 3504.

19 Q Would you identify for us what is to be
20 the source of the water to be disposed of in this well?

21 A. Yes, sir, the source of the water, the
22 produced water, will come from the Chapman and Schneider
23 Ogg A lease, which is in Section 35, 24 South, 36 East, and
24 from the Woolworth lease, the Chapman and Schneider Woolworth
25 lease, located in Section 26, 24 South, 36 East. There's

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1 two wells on the Woolworth lease and six wells on the Ogg A
2 lease.

3 MR. NUTTER: Now, would you describe the
4 boundaries of those leases, Mr. White, please?

5 A. Yes, sir. The Ogg A lease consists of
6 Unit G, which would be the -- which would be the southwest
7 quarter of the northeast quarter of Section 35, and Unit 2-B
8 in Section 35, which is the northwest quarter of the north-
9 east quarter. The Unit 3-E, which is the proposed salt
10 salt water disposal well location, which is in the southwest
11 of the northwest quarter, Section 35; Unit 4-D, which is in
12 the northwest quarter northwest quarter of Section 35; and
13 Unit 6-B, which is in the northwest quarter of the northeast
14 quarter, Section 35. That comprises the Ogg A lease.

15 MR. NUTTER: Okay. In other words, it's
16 composed of two 80-acre tracts. One is the north-- one is
17 the west half of the northeast, and the other is the west
18 half of the northwest.

19 A. Yes, sir.

20 MR. NUTTER: Of Section 35.

21 A. That's right.

22 MR. NUTTER: And you say there are six
23 wells all told on that lease.

24 A. Yes, sir, that's correct.

25 MR. NUTTER: Okay, and then up in Section

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1 26.

2 A All right, in Section 26 we have the
3 Chapman and Schneider Woolworth lease, which is comprised of
4 Unit 1-J, which is the northwest quarter of the southeast
5 quarter; and Unit 2-I, which is the northeast quarter of the
6 southeast quarter, so that would be the north half of the
7 southeast quarter, Section 26, 24, 36.

8 MR. NUTTER: Okay, so what we're talking
9 about is water produced from three 80-acre tracts in Sections
10 26 and 35.

11 A Yes, sir, that's right.

12 MR. NUTTER: Okay, and there are six wells
13 in 35 and two wells up here in Section 26, is that it?

14 A Yes, sir, that's correct.

15 MR. NUTTER: Okay, go ahead Mr. Kellahin.

16 Q (Mr. Kellahin continuing.) What is the
17 total daily volume of produced salt water to be disposed of
18 in this well?

19 A We anticipate that the Ogg A lease will
20 produce approximately 300 barrels of water per day when fur-
21 ther Ogg A wells are restored to production, which are temp-
22 orarily abandoned at the present time.

23 The Chapman-Schneider Woolworth lease pre-
24 sently produces at a rate of about 3000 barrels of water per
25 day, so the daily volume which we anticipate injecting would

1 be 3300 barrels a day.

2 MR. NUTTER: Those two wells in Section 36
3 are making 3000 barrels of water a day?

4 A. Yes, sir, that's correct.

5 Q. Do you propose to dispose of the produced
6 water under pressure or will this well take it under a
7 vacuum?

8 A. The well will take the water under vacuum.

9 Q. What is the circle drawn on Exhibit Number
10 One; what does it represent?

11 A. That represents a radius around the salt
12 water disposal well, which we have drawn in there to indi-
13 cate the -- Tom, that indicates the offset operators that
14 are within a certain radius from the salt water injection
15 well.

16 Q. What is the color code on the Exhibit
17 Number One, what does it represent? You've identified all
18 the wells that produce or have produced from this zone?

19 A. I think the Examiner has the only color
20 coded plat that we have, Tom.

21 We'll have to refer to it.

22 What it actually does, though, if you'll
23 notice on the plat, it sets out the wells that are completed
24 in the Jalmat, the Langlie Mattix, Custer Devonian, and pre-
25 sent salt water disposal wells in the area.

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1 I don't have the color, Mr. Examiner, on my plat, but that's
2 what it indicates on yours.

3 Q Would you refer to Exhibit Number Two and
4 identify it?

5 A Okay. Exhibit Number Two is the diagram-
6 matic sketch of the mechanics on the proposed salt water
7 disposal well, the Ogg A No. 3. This diagrammatic well
8 sketch shows the present casing program. It shows the pro-
9 posed depth of the tubing which will be set in the well.
10 It shows the tops of the cement behind each string of casing,
11 and it shows the arrangement on the surface as per New
12 Mexico Oil Conservation Commission regulation; shows the
13 piping and pressure gauges which will monitor any flow or
14 pressure into the various strings of casing.

15 It's proposed that there be proper piping
16 and pressure gauges in the annular space between the 9-5/8ths
17 and the 7-inch casing; there'll be proper piping and pres-
18 sure gauging to monitor the flow between the 7-inch casing
19 and the tubing, and the surface pipe will be dug out and
20 exposed.

21 Q I've forgotten, Mr. White, is this an
22 existing well?

23 A Yes, sir, this is an existing well.

24 Q And it produced from what formation?

25 A From the Seven Rivers Reef.

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1 Q All right, and you'd simply convert it
2 into salt water disposal?

3 A Yes, sir, that's their proposal.

4 Q Do you have a log of that well?

5 A No, sir, I do not have a log, and there's
6 been some attempts to obtain one, and we may have found a
7 source for a log on it and we would like, with the Commis-
8 sion's consideration here, we'd like to mail it in later, if
9 we could.

10 Q Would you please refer to Exhibit Number
11 3 and identify it?

12 Would you please identify what we've marked
13 as Exhibit Number Three?

14 A This exhibit was prepared because of the
15 rules and regulations of the New Mexico Oil Conservation
16 Commission which requires a tabulation of wells within a
17 half mile radius of the Ogg A No. 3, the proposed salt water
18 disposal well, and it shows all of the -- it's a tabulation
19 of all the wells within that half mile radius, and it was
20 prepared simply to comply with the New Mexico Oil Conservation
21 Commission rule.

22 Q All right, sir. Please refer to what we
23 have marked as Exhibit Four and identify it.

24 A Exhibit Four shows the data which is neces-
25 sary to present the salt water disposal well. The injection

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1 pressure is, of course, on vacuum. They intend to inject
2 into the formation called the Seven Rivers Reef; estimated
3 volume, 3300 barrels per day, and this again points out the
4 source of the water which will be injected.

5 Q What does the applicant currently do with
6 the water produced from these wells?

7 A I assume that this water at the present
8 time is being hauled from the lease.

9 Q Number Five.

10 A Tom, that's an assumption there. I'm not
11 sure.

12 Exhibit Number Five complies with the New
13 Mexico Oil Conservation Commission rule and regulation which
14 requires that the produced water that will be injected be
15 analyzed by an independent laboratory for chemical analysis,
16 and this is simply a sample of water which was sent in to
17 the Wolfe Petroleum Lab, Incorporated, and analyzed in
18 Odessa, Texas.

19 Q Please identify Exhibit Number Six.

20 A Okay. Exhibit Number Six complies with
21 the New Mexico Conservation Commission regulation in that
22 we are to furnish a diagrammatic sketch of all of the wells
23 which are plugged and abandoned within a certain radius of
24 the salt water disposal well, and these are sketches showing
25 the casing, the top of the stubs, the cutoff points, and the

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1 casing that was left in the hole and the tops of cement, and
2 so on, that was in these wells in and around the Ogg A lease.

3 Q Mr. White, in your opinion, are all the
4 offset wells that might be affected by disposing of produced
5 salt water in this disposal well, are all those wells ade-
6 quately cemented or otherwise protected so that the disposed
7 water will remain confined within the Seven Rivers Reef?

8 A Yes, sir. I studied these diagrammatic
9 sketches of these wells around this proposed salt water
10 disposal well, and as near as I can determine, all of the
11 casing cutoff points and cement was left or added to protect
12 the -- and control the water injected.

13 Q Would you please refer to Exhibit Number
14 Seven and identify it?

15 A Exhibit Number Seven is letters of waiver
16 from some of the offset operators in the area, and Mr.
17 Examiner, I do not know if we have a letter from all of the
18 offset operators, but we do have from four of the --

19 MR. NUTTER: We've got a letter from two
20 here, Sam D. Ares and Conoco.

21 A Okay, we got a -- here's a Burleson & Huff.
22 It appears that two of the letters came in from Conoco, so
23 we have letters from three of the offset operators. They are
24 letters of waiver stating that they do not object to the
25 injection of salt water, produced water, into this Ogg A No.3

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1 Q Mr. White, were Exhibits One through
2 Seven compiled under your supervision and direction?

3 A They were either prepared by me or com-
4 piled under my direction and at my request.

5 Q Based upon your study of the material in
6 the exhibits and your knowledge of this area, are those ex-
7 hibits true and correct?

8 A Yes, sir, they are.

9 Q And in your opinion will approval of this
10 application be in the best interests of conservation, the
11 prevention of waste, and the protection of correlative
12 rights?

13 A Yes, sir, that is correct. In my opinion
14 the -- disposal of the produced water in any other method
15 will cost in excess at today's prices of \$1500 a day, and
16 this is prohibitive and would leave certain reserves in the
17 ground that could not be recovered otherwise, unless the
18 salt water disposal well is approved.

19 MR. KELLAHIN: We have nothing further.
20 We move the introduction of Exhibits One through Seven.

21 MR. NUTTER: Chapman's Exhibits One through
22 Seven will be admitted in evidence.

23
24 CROSS EXAMINATION

25 BY MR. NUTTER:

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1 Q Mr. White, now referring to your Exhibit
2 Number Two, I believe it is, no, it's Exhibit Number Three.
3 It shows here on the surface pipe on a number of these wells,
4 which are the wells that are located within a half mile of
5 the proposed injection well, that on the surface pipe cement
6 has been circulated in a number of instances, but in approxi-
7 mately five instances, you say that the cement was circu-
8 lated, calculated.

9 Why is it calculated that the cement is
10 circulated rather than known whether it was circulated?

11 A Well, sir, at the time these wells were
12 drilled, Mr. Examiner, I'm sure that the conditions on the
13 well were not nearly as restrictive as they are now, and the
14 drilling contractor would call out the cement for the sur-
15 face pipe. This was the general practice, anyway, and they would
16 pump the cement down and those could have -- in all proba-
17 bility it wasn't even noted on the drilling report whether
18 it circulated or not, and in cases where it was filed with
19 the Commission, where it circulated, this was put in the
20 tabulation. Of course, where it was not noted we had no way
21 of knowing, and we had to calculate the top. And in most
22 cases the one sack per foot ruling, which was in effect then,
23 the cement would circulate.

24 Q But these are instances where the well file
25 did not indicate for sure that cement was circulated.

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1 A. Yes, sir, that's correct.

2 Q. They give you a quantity of cement and you
3 calculated the void or the volume behind the pipe there --

4 A. Yes, sir, that's correct.

5 Q. -- and you think it circulated?

6 A. Yes, sir, that's -- we had to make those
7 assumptions and it's my understanding the area's monitored
8 pretty carefully, though, for any kind of indication on sur-
9 face pipe that -- outside the surface pipe for any indication
10 of any breakout.

11 Q. Well now, what is the present status of
12 this Ogg 3 Well?

13 A. As I understand it, Mr. Examiner, it's
14 just temporarily abandoned and waiting for approval as a salt
15 water disposal well. I do not know if they have run the
16 tubing and packer in the well yet.

17 Q. And was it producing from the Seven Rivers
18 Reef?

19 A. Yes, sir, that's correct.

20 Q. And the same open hole interval that you
21 are proposing to dispose?

22 A. Yes, sir, as I understand it, that's right.

23 Q. And it watered out, I presume?

24 A. The -- I do not know the answer to that,
25 Mr. Examiner. I don't know.

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1 We can look back and send that tabulation
2 in to Mr. Kellahin if it would help in the case. We can
3 look back and see what happened to the well. I would -- I
4 would --

5 Q How long has it been shut in?

6 A Oh, I think since 19 -- let me see on my --
7 see, most of these were abandoned, according to this tabu-
8 lation, most of these were abandoned back in 1947 and '48.

9 Q Who was the operator of the wells at that
10 time?

11 A Texas Pacific.

12 Q These are old TP leases, then.

13 A Yes, sir.

14 Q How long has Chapman and Schneider owned
15 them, do you know?

16 A I do not know, no, sir.

17 Q Well, we will take administrative notice
18 of the history of this well and the wells in the immediate
19 vicinity, production, and water production.

20 MR. KELLAHIN: You have that information,
21 you won't need us to send it to you?

22 MR. NUTTER: No, we'll find it.

23 A Mr. Examiner, I have some current informa-
24 tion only from January of '79 up to the present time. I do
25 have that production tabulated.

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1 Q Now, what wells were producing, that you
2 know.
3 A Okay, the only well producing on the Chapman-
4 Schneider Ogg A lease was Well No. 6-B, in Section 35, 24,
5 36.
6 Q Uh-huh.
7 A And then both of the Woolworth Wells were
8 producing, and are presently producing. At the present time
9 we show five of the Ogg A Wells temporarily abandoned.
10 Q I see, which would include this proposed
11 disposal well.
12 A Yes, sir, and it had a cumulative recovery
13 of, oh, well, I don't have that number, but it shows that it
14 was temporarily abandoned in December of 1975 on this tabu-
15 lation.
16 So there's, evidently, there's been no
17 production since 1975.
18 MR. NUTTER: Are there any further questions
19 of the witness? He may be excused.
20 Do you have anything further, Mr. Kellahin?
21 MR. KELLAHIN: No, sir.
22 MR. NUTTER: Does anyone have anything they
23 wish to offer in Case Number 6671?
24 We'll take the case under advisement.
25 (Hearing concluded.)

REPORTER'S CERTIFICATE

I, SALLY W. BOYD, a Court Reporter, DO HEREBY CERTIFY that the foregoing and attached Transcript of the Hearing before the Oil Conservation Division was reported by me; that said transcript is a full, true, and correct record of the hearing, prepared by me to the best of my ability, from my notes taken at the time of the hearing.

Sally W. Boyd CSR
Sally W. Boyd, C.S.R.

SALLY WALTON BOYD
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Santa Fe, New Mexico 87501

I do hereby certify that the foregoing is
a correct and true transcript of the proceedings in
the Examiner hearing of Case No. 6676
heard by me on 10/17 1979.
[Signature], Examiner
Oil Conservation Division

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
State Land Office Building
Santa Fe, New Mexico
17 October, 1979

EXAMINER HEARING

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For the Oil Conservation
Division:

Ernest L. Padilla, Esq.
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I N D E X

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(Witness sworn.)

PAUL G. WHITE

being called as a witness and having been duly sworn upon his oath, testified as follows, to-wit:

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A Paul G. White, Consultant Petroleum Engineer, Artesia, New Mexico.

Q As a petroleum engineer, Mr. White, have you previously testified before the New Mexico Oil Conservation Division?

A Yes, sir, I have.

Q And pursuant to your employment by the Applicant, have you made a study of his proposed salt water disposal well?

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1 A. Yes, sir, I have.

2 MR. KELLAHIN: We tender Mr. White as an
3 expert witness.

4 MR. NUTTER: Mr. White is qualified.

5 Q (Mr. Kellahin continuing.) Mr. White,
6 would you please refer to applicant's Exhibit Number One,
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8 well and the other information contained on that exhibit?

9 A. Yes, sir. The green dot on the exhibit,
10 on the plat, identifies the Chapman and Schneider Ogg A Well
11 No. 3, which is located 1980 feet from the north line and
12 660 feet from the west line in Section 35, Township 24
13 South, Range 36 East, Lea County, New Mexico.

14 Q Mr. White, what is the proposed zone of
15 disposal?

16 A. They proposed to dispose the produced
17 salt water in the Seven Rivers Reef formation, which occurs
18 in the open hole interval in this well from 3422 to 3504.

19 Q Would you identify for us what is to be
20 the source of the water to be disposed of in this well?

21 A. Yes, sir, the source of the water, the
22 produced water, will come from the Chapman and Schneider
23 Ogg A lease, which is in Section 35, 24 South, 36 East, and
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4 boundaries of those leases, Mr. White, please?

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6 Unit G, which would be the -- which would be the southwest
7 quarter of the northeast quarter of Section 35, and Unit 2-B
8 in Section 35, which is the northwest quarter of the north-
9 east quarter. The Unit 3-E, which is the proposed salt
10 salt water disposal well location, which is in the southwest
11 of the northwest quarter, Section 35; Unit 4-D, which is in
12 the northwest quarter northwest quarter of Section 35; and
13 Unit 6-B, which is in the northwest quarter of the northeast
14 quarter, Section 35. That comprises the Ogg A lease.

15 MR. NUTTER: Okay. In other words, it's
16 composed of two 80-acre tracts. One is the north-- one is
17 the west half of the northeast, and the other is the west
18 half of the northwest.

19 A Yes, sir.

20 MR. NUTTER: Of Section 35.

21 A That's right.

22 MR. NUTTER: And you say there are six
23 wells all told on that lease.

24 A Yes, sir, that's correct.

25 MR. NUTTER: Okay, and then up in Section

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7 southeast quarter, Section 26, 24, 36.

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9 about is water produced from three 80-acre tracts in Sections
10 26 and 35.

11 A Yes, sir, that's right.

12 MR. NUTTER: Okay, and there are six wells
13 in 35 and two wells up here in Section 26, is that it?

14 A Yes, sir, that's correct.

15 MR. NUTTER: Okay, go ahead Mr. Kellahin.

16 Q (Mr. Kellahin continuing.) What is the
17 total daily volume of produced salt water to be disposed of
18 in this well?

19 A We anticipate that the Ogg A lease will
20 produce approximately 300 barrels of water per day when fur-
21 ther Ogg A wells are restored to production, which are temp-
22 orarily abandoned at the present time.

23 The Chapman-Schneider Woolworth lease pre-
24 sently produces at a rate of about 3000 barrels of water per
25 day, so the daily volume which we anticipate injecting would

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1 be 3300 barrels a day.

2 MR. NUTTER: Those two wells in Section 36
3 are making 3000 barrels of water a day?

4 A Yes, sir, that's correct.

5 Q Do you propose to dispose of the produced
6 water under pressure or will this well take it under a
7 vacuum?

8 A The well will take the water under vacuum.

9 Q What is the circle drawn on Exhibit Number
10 One; what does it represent?

11 A That represents a radius around the salt
12 water disposal well, which we have drawn in there to indi-
13 cate the -- Tom, that indicates the offset operators that
14 are within a certain radius from the salt water injection
15 well.

16 Q What is the color code on the Exhibit
17 Number One, what does it represent? You've identified all
18 the wells that produce or have produced from this zone?

19 A I think the Examiner has the only color
20 coded plat that we have, Tom.

21 We'll have to refer to it.

22 What it actually does, though, if you'll
23 notice on the plat, it sets out the wells that are completed
24 in the Jalmat, the Langlie Mattix, Custer Devonian, and pre-
25 sent salt water disposal wells in the area.

1 I don't have the color, Mr. Examiner, on my plat, but that's
2 what it indicates on yours.

3 Q Would you refer to Exhibit Number Two and
4 identify it?

5 A Okay. Exhibit Number Two is the diagram-
6 matic sketch of the mechanics on the proposed salt water
7 disposal well, the Ogg A No. 3. This diagrammatic well
8 sketch shows the present casing program. It shows the pro-
9 posed depth of the tubing which will be set in the well.
10 It shows the tops of the cement behind each string of casing,
11 and it shows the arrangement on the surface as per New
12 Mexico Oil Conservation Commission regulation; shows the
13 piping and pressure gauges which will monitor any flow or
14 pressure into the various strings of casing.

15 It's proposed that there be proper piping
16 and pressure gauges in the annular space between the 9-5/8ths
17 and the 7-inch casing; there'll be proper piping and pres-
18 sure gauging to monitor the flow between the 7-inch casing
19 and the tubing, and the surface pipe will be dug out and
20 exposed.

21 Q I've forgotten, Mr. White, is this an
22 existing well?

23 A Yes, sir, this is an existing well.

24 Q And it produced from what formation?

25 A From the Seven Rivers Reef.

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1 Q All right, and you'd simply convert it
2 into salt water disposal?

3 A Yes, sir, that's their proposal.

4 Q Do you have a log of that well?

5 A No, sir, I do not have a log, and there's
6 been some attempts to obtain one, and we may have found a
7 source for a log on it and we would like, with the Commis-
8 sion's consideration here, we'd like to mail it in later, if
9 we could.

10 Q Would you please refer to Exhibit Number
11 3 and identify it?

12 Would you please identify what we've marked
13 as Exhibit Number Three?

14 A This exhibit was prepared because of the
15 rules and regulations of the New Mexico Oil Conservation
16 Commission which requires a tabulation of wells within a
17 half mile radius of the Ogg A No. 3, the proposed salt water
18 disposal well, and it shows all of the -- it's a tabulation
19 of all the wells within that half mile radius, and it was
20 prepared simply to comply with the New Mexico Oil Conservation
21 Commission rule.

22 Q All right, sir. Please refer to what we
23 have marked as Exhibit Four and identify it.

24 A Exhibit Four shows the data which is neces-
25 sary to present the salt water disposal well. The injection

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1 pressure is, of course, on vacuum. They intend to inject
2 into the formation called the Seven Rivers Reef; estimated
3 volume, 3300 barrels per day, and this again points out the
4 source of the water which will be injected.

5 Q What does the applicant currently do with
6 the water produced from these wells?

7 A I assume that this water at the present
8 time is being hauled from the lease.

9 Q Number Five.

10 A Tom, that's an assumption there. I'm not
11 sure.

12 Exhibit Number Five complies with the New
13 Mexico Oil Conservation Commission rule and regulation which
14 requires that the produced water that will be injected be
15 analyzed by an independent laboratory for chemical analysis,
16 and this is simply a sample of water which was sent in to
17 the Wolfe Petroleum Lab, Incorporated, and analyzed in
18 Odessa, Texas.

19 Q Please identify Exhibit Number Six.

20 A Okay. Exhibit Number Six complies with
21 the New Mexico Conservation Commission regulation in that
22 we are to furnish a diagrammatic sketch of all of the wells
23 which are plugged and abandoned within a certain radius of
24 the salt water disposal well, and these are sketches showing
25 the casing, the top of the stubs, the cutoff points, and the

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1 casing that was left in the hole and the tops of cement, and
2 so on, that was in these wells in and around the Ogg A lease.

3 Q Mr. White, in your opinion, are all the
4 offset wells that might be affected by disposing of produced
5 salt water in this disposal well, are all those wells ade-
6 quately cemented or otherwise protected so that the disposed
7 water will remain confined within the Seven Rivers Reef?

8 A Yes, sir. I studied these diagrammatic
9 sketches of these wells around this proposed salt water
10 disposal well, and as near as I can determine, all of the
11 casing cutoff points and cement was left or added to protect
12 the -- and control the water injected.

13 Q Would you please refer to Exhibit number
14 Seven and identify it?

15 A Exhibit Number Seven is letters of waiver
16 from some of the offset operators in the area, and Mr.
17 Examiner, I do not know if we have a letter from all of the
18 offset operators, but we do have from four of the --

19 MR. NUTTER: We've got a letter from two
20 here, Sam D. Ares and Conoco.

21 A Okay, we got a -- here's a Burleson & Huff.
22 It appears that two of the letters came in from Conoco, so
23 we have letters from three of the offset operators. They are
24 letters of waiver stating that they do not object to the
25 injection of salt water, produced water, into this Ogg A No.3.

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1 Q Mr. White, were Exhibits One through
2 Seven compiled under your supervision and direction?

3 A They were either prepared by me or com-
4 piled under my direction and at my request.

5 Q Based upon your study of the material in
6 the exhibits and your knowledge of this area, are those ex-
7 hibits true and correct?

8 A Yes, sir, they are.

9 Q And in your opinion will approval of this
10 application be in the best interests of conservation, the
11 prevention of waste, and the protection of correlative
12 rights?

13 A Yes, sir, that is correct. In my opinion
14 the -- disposal of the produced water in any other method
15 will cost in excess at today's prices of \$1500 a day, and
16 this is prohibitive and would leave certain reserves in the
17 ground that could not be recovered otherwise, unless the
18 salt water disposal well is approved.

19 MR. KELLAHIN: We have nothing further.
20 We move the introduction of Exhibits One through Seven.

21 MR. NUTTER: Chapman's Exhibits One through
22 Seven will be admitted in evidence.

23
24 CROSS EXAMINATION

25 BY MR. NUTTER:

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1 Q Mr. White, now referring to your Exhibit
2 Number Two, I believe it is, no, it's Exhibit Number Three.
3 It shows here on the surface pipe on a number of these wells,
4 which are the wells that are located within a half mile of
5 the proposed injection well, that on the surface pipe cement
6 has been circulated in a number of instances, but in approxi-
7 mately five instances, you say that the cement was circu-
8 lated, calculated.

9 Why is it calculated that the cement is
10 circulated rather than known whether it was circulated?

11 A Well, sir, at the time these wells were
12 drilled, Mr. Examiner, I'm sure that the conditions on the
13 well were not nearly as restrictive as they are now, and the
14 drilling contractor would call out the cement for the sur-
15 face pipe. This was the general practice, anyway, and they would
16 pump the cement down and those could have -- in all proba-
17 bility it wasn't even noted on the drilling report whether
18 it circulated or not, and in cases where it was filed with
19 the Commission, where it circulated, this was put in the
20 tabulation. Of course, where it was not noted we had no way
21 of knowing, and we had to calculate the top. And in most
22 cases the one sack per foot ruling, which was in effect then,
23 the cement would circulate.

24 Q But these are instances where the well file
25 did not indicate for sure that cement was circulated.

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1 A. Yes, sir, that's correct.

2 Q. They give you a quantity of cement and you

3 calculated the void or the volume behind the pipe there --

4 A. Yes, sir, that's correct.

5 Q. -- and you think it circulated?

6 A. Yes, sir, that's -- we had to make those

7 assumptions and it's my understanding the area's monitored

8 pretty carefully, though, for any kind of indication on sur-

9 face pipe that -- outside the surface pipe for any indication

10 of any breakout.

11 Q. Well now, what is the present status of

12 this Ogg 3 Well?

13 A. As I understand it, Mr. Examiner, it's

14 just temporarily abandoned and waiting for approval as a salt

15 water disposal well. I do not know if they have run the

16 tubing and packer in the well yet.

17 Q. And was it producing from the Seven Rivers

18 Reef?

19 A. Yes, sir, that's correct.

20 Q. And the same open hole interval that you

21 are proposing to dispose?

22 A. Yes, sir, as I understand it, that's right.

23 Q. And it watered out, I presume?

24 A. The -- I do not know the answer to that,

25 Mr. Examiner. I don't know.

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1 We can look back and send that tabulation
2 in to Mr. Kellahin if it would help in the case. We can
3 look back and see what happened to the well. I would -- I
4 would --

5 Q How long has it been shut in?

6 A Oh, I think since 19 -- let me see on my --
7 see, most of these were abandoned, according to this tabu-
8 lation, most of these were abandoned back in 1947 and '48.

9 Q Who was the operator of the wells at that
10 time?

11 A Texas Pacific.

12 Q These are old TP leases, then.

13 A Yes, sir.

14 Q How long has Chapman and Schneider owned
15 them, do you know?

16 A I do not know, no, sir.

17 Q Well, we will take administrative notice
18 of the history of this well and the wells in the immediate
19 vicinity, production, and water production.

20 MR. KELLAHIN: You have that information,
21 you won't need us to send it to you?

22 MR. NUTTER: No, we'll find it.

23 A Mr. Examiner, I have some current informa-
24 tion only from January of '79 up to the present time. I do
25 have that production tabulated.

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1 Q Now, what wells were producing, that you
2 know.

3 A Okay, the only well producing on the Chapman-
4 Schneider Ogg A lease was Well No. 6-B, in Section 35, 24,
5 36.

6 Q Uh-huh.

7 A And then both of the Woolworth Wells were
8 producing, and are presently producing. At the present time
9 we show five of the Ogg A Wells temporarily abandoned.

10 Q I see, which would include this proposed
11 disposal well.

12 A Yes, sir, and it had a cumulative recovery
13 of, oh, well, I don't have that number, but it shows that it
14 was temporarily abandoned in December of 1975 on this tabu-
15 lation.

16 So there's, evidently, there's been no
17 production since 1975.

18 MR. NUTTER: Are there any further questions
19 of the witness? He may be excused.

20 Do you have anything further, Mr. Kellahin?

21 MR. KELLAHIN: No, sir.

22 MR. NUTTER: Does anyone have anything they
23 wish to offer in Case Number 6671?

24 We'll take the case under advisement.

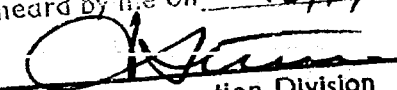
25 (Hearing concluded.)

REPORTER'S CERTIFICATE

I, SALLY W. BOYD, a Court Reporter, DO HEREBY CERTIFY that the foregoing and attached Transcript of the Hearing before the Oil Conservation Division was reported by me; that said transcript is a full, true, and correct record of the hearing, prepared by me to the best of my ability, from my notes taken at the time of the hearing.

Sally W. Boyd, C.S.R.

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3929 Plaza Blanca (603) 471-2462
Santa Fe, New Mexico 87501

I do hereby certify that the foregoing is
a correct and true transcript of the proceedings in
the hearing of Case No. 6671
heard by me on 10/17 1979.
 Examiner
Oil Conservation Division

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 6671
Order No. R-6159

APPLICATION OF CHAPMAN AND SCHNEIDER
FOR SALT WATER DISPOSAL, LEA COUNTY,
NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on October 17, 1979, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 2nd day of November, 1979, the Division Director, 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 Division has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Chapman and Schneider, is the owner and operator of the I. B. Ogg "A" Well No. 3, located in Unit E of Section 35, Township 24 South, Range 36 East, NMPM, Jalmat Pool, Lea County, New Mexico.

(3) That the applicant proposes to utilize said well to dispose of produced salt water into the Seven Rivers formation, with injection into the open hole interval from approximately 3422 feet to 3504 feet.

(4) That the injection should be accomplished through 2 7/8-inch plastic lined tubing installed in a packer set at approximately 3300 feet; that the casing-tubing annulus should be filled with an inert fluid; and that a pressure gauge or approved leak detection device should be attached to the annulus in order to determine leakage in the casing, tubing, or packer.

-2-

Case No. 6671
Order No. R-6159

(5) That the injection well or system should be so equipped as to limit the injection pressure at the casing shoe to no more than hydrostatic pressure unless and until the Amerada Everett Well No. 3 in Unit I of Section 34 and the Cities Service Everett Well No. 3 in Unit L of Section 35 have been re-entered and re-plugged, including the setting of a cement plug at the base of the salt section in each of said wells.

(6) That the operator should notify the supervisor of the Hobbs district office of the Division of the date and time of the installation of disposal equipment so that the same may be inspected.

(7) That the operator should take all steps necessary to ensure that the injected water enters only the proposed injection interval and is not permitted to escape to other formations or onto the surface.

(8) 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, Chapman and Schneider, is hereby authorized to utilize its I. B. Ogg "A" Well No. 3, located in Unit E of Section 35, Township 24 South, Range 36 East, NMPM, Jalmat Pool, Lea County, New Mexico, to dispose of produced salt water into the Seven Rivers formation, injection to be accomplished through 2 7/8-inch tubing installed in a packer set at approximately 3300 feet, with injection into the open hole interval from approximately 3422 feet to 3504 feet;

PROVIDED HOWEVER, that the tubing shall be plastic-lined; 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.

(2) That the injection well or system shall be so equipped as to limit the injection pressure at the casing shoe to no more than hydrostatic pressure unless and until the Amerada Everett Well No. 3 in Unit I of Section 34 and the Cities Service Everett Well No. 3 in Unit L of Section 35, both in Township 24 South, Range 36 East, NMPM, have been re-plugged in such a manner as to include a cement plug at the base of the salt section in each of said wells.

-3-

Case No. 6671
Order No. R-6159

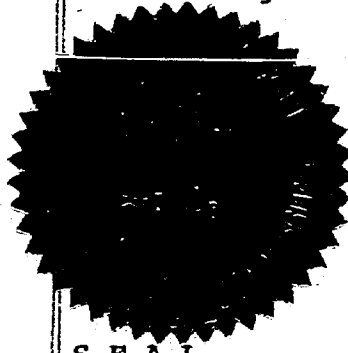
(3) That the operator shall notify the supervisor of the Hobbs district office of the Division of the date and time of the installation of disposal equipment so that the same may be inspected.

(4) That the operator shall immediately notify the supervisor of the Division's Hobbs 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.

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

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

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



S E A L

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

Joe D. Ramey
JOE D. RAMEY
Director

fd/



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

STATE OF NEW MEXICO

ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-2434

November 6, 1979

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

Re: CASE NO. 6671
ORDER NO. R-6159

Applicant:

Chapman and Schneider

Dear Sir:

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

Yours very truly,

JOE D. RAMEY
Director

JDR/fd

Copy of order also sent to:

Hobbs OCD	<u>x</u>
Artesia OCD	<u>x</u>
Aztec OCD	

Other

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
Oil Conservation Division
Santa Fe, New Mexico
2 October 1979

EXAMINER HEARING

IN THE MATTER OF:

Application of Chapman and
Schneider for salt water disposal,
Lea County, New Mexico.

CASE
6671

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation
Division:

Ernest L. Padilla, Esq.
Legal Counsel for the Division
State Land Office Bldg.
Santa Fe, New Mexico 87503

For the Applicant:

W. Thomas Kellahin, Esq.
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MR. STAMETS: Call next Case 6671.

MR. PADILLA: Application of Chapman and
Schneider for salt water disposal, Lea County, New Mexico.

MR. KELLAHIN: I'm Tom Kellahin, appearing
on behalf of the applicant.

My witness was unavailable for today, Mr.
Stamets, and I would request that this case be continued to
the hearing on October 17th.

MR. STAMETS: Case 6671 will be so con-
tinued.

(Hearing concluded.)

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
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Santa Fe, New Mexico 87501

REPORTER'S CERTIFICATE

I, SALLY W. BOYD, a court reporter, DO HEREBY
CERTIFY that the foregoing and attached Transcript of
Hearing before the Oil Conservation Division was reported
by me; that the said transcript is a full, true, and correct
record of the said hearing, prepared by me to the best of my
ability from my notes taken at the time of the hearing.

Sally W. Boyd C.S.R.
Sally W. Boyd, C.S.R.

I do hereby certify that the foregoing is
a complete report of the proceedings in
the Examiner hearing of Case No. 6671,
heard by me on 10-2 1979.
Richard L. Starn, Examiner
Oil Conservation Division

SALLY WALTON BOYD
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Santa Fe, New Mexico 87501

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STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
Oil Conservation Division
Santa Fe, New Mexico
2 October 1979

EXAMINER HEARING

IN THE MATTER OF:

Application of Chapman and
Schneider for salt water disposal,) CASE
Lea County, New Mexico.) 6671

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation Division: Ernest L. Padilla, Esq.
Legal Counsel for the Division
State Land Office Bldg.
Santa Fe, New Mexico 87503

For the Applicant: W. Thomas Kellahin, Esq.
KELLAHIN & KELLAHIN
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MR. STAMETS: Call next Case 6671.

MR. PADILLA: Application of Chapman and
Schneider for salt water disposal, Lea County, New Mexico.

MR. KELLAHIN: I'm Tom Kellahin, appearing
on behalf of the applicant.

My witness was unavailable for today, Mr.
Stamets, and I would request that this case be continued to
the hearing on October 17th.

MR. STAMETS: Case 6671 will be so con-
tinued.

(Hearing concluded.)

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
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Santa Fe, New Mexico 87501

REPORTER'S CERTIFICATE

I, SALLY W. BOYD, a court reporter, DO HEREBY CERTIFY that the foregoing and attached Transcript of Hearing before the Oil Conservation Division was reported by me; that the said transcript is a full, true, and correct record of the said hearing, prepared by me to the best of my ability from my notes taken at the time of the hearing.

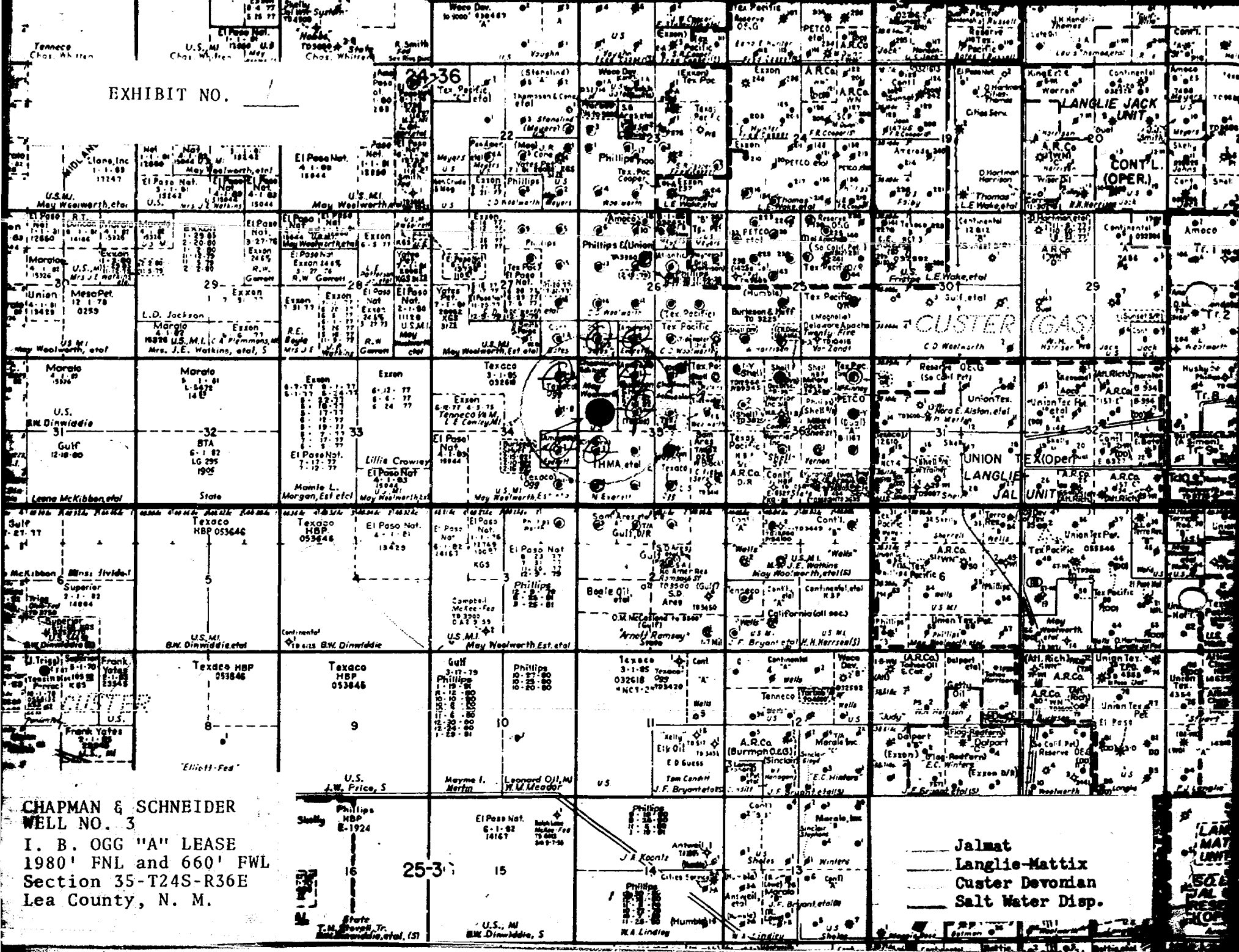
Sally W. Boyd, C.S.R.

I do hereby certify that the foregoing is a complete report of the proceedings in the Examiner hearing of Case No. _____, heard by me on _____ 19____.

_____, Examiner
Oil Conservation Division

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3830 Plaza Blanca (505) 471-2462
Santa Fe, New Mexico 87501

EXHIBIT NO. 1



CHAPMAN & SCHNEIDER
WELL NO. 3

I. B. OGG "A" LEASE
1980' FNL and 660' FWL
Section 35-T24S-R36E
Lea County, N. M.

Jalmat
Langlie-Mattix
Custer Devonian
Salt Water Disp.

CHAPMAN AND SCHNEIDER
I.B. OGG "A" NO. 3 WELL
LOCATED UNIT E, SECTION 35,
T24S-R36E, LEA COUNTY
NEW MEXICO

DIAGRAMMATIC WELL SKETCH

EXHIBIT NO. _____

Piping and Pressure Gauge
To monitor Pressure or
Flow into $9\frac{5}{8}$ " Casing

Piping and Pressure Gauge
To monitor Flow or
Pressure into 7" casing

Surface Pipe
Dug Out and
Exposed for
Examination for
Pressure or Flow

$12\frac{1}{2}$ " Set At 171'
with 100 sx. Calc.
Top At Surface

$9\frac{5}{8}$ " Annulus Filled with
20% KCL Water

$9\frac{5}{8}$ " Set At 1366' w/
1000 sx - Calc. Top
at Surface

$2\frac{7}{8}$ " Plastic Coated Tubing with
Baker Oil Tool Loc - Set
Packer Set at 3300'

7" Set At 3422' with
200 sx. Calc. Top at 1826'
From Surface.

TOTAL DEPTH 3504'

BEFORE EXAMINER MUTTER

OIL CONSERVATION DIVISION

Chapman EXHIBIT NO. 2

CASE NO. 6671

**A TABULATION
OF WELLS WITHIN 1/2 - MILE**

**OF
CHAPMAN & SCHNEIDER - I. B. OCG "A"**

No. 3

REPORT EXAMINER NUTTER
OIL CONSERVATION DIVISION
Chapman EXHIBIT NO. 3
CASE NO. 1671

<u>Operator</u>	<u>Lease</u>	<u>Well No.</u>	<u>Unit</u>	<u>S-T-R</u>	<u>Casing</u>	<u>Depth Set</u>	<u>Sacks Cement</u>	<u>Cement Top</u>	<u>Total Depth</u>	<u>Producing Interval</u>	<u>Footage Location</u>
Amerada Hess	Everett	1	C	35-24S-36E	12 1 1/2 9 5/8 7	212 1402 3418	250 385 375	Circ. 130 1800	3469	P & A 7/23/43	660' FNL & 1980' FNL
Amerada Hess	Everett	2	N	26-24S-36E	12 1 1/2 9 5/8 7	150 1419 3420	150 500 200	Circ. Circ.* 2500	3438	P & A 7/30/43	660' FSL & 1980' FNL
Amerada Hess	Everett	3	I	34-24S-36E	12 1 1/2 8 5/8 5 1/2	166 2790 3455	80 518 100	Circ. 200 2775	3495	P & A 8/6/47	1980' FSL & 660' FNL
Sam D. Ares	Everett	1	K	35-24S-36E	12 1 1/2 9 5/8 7	57 1507 3410	50 1000 100	Circ. Circ.* 2460 *	3445	3360-70	1980' FSL & 1980' FNL
Sam D. Ares	Everett	4	M	35-24S-36E	12 1 1/2 9 5/8 7	144 1543 3363	100 600 100	Circ. Circ.* 2400 *	3600	SWD 3292-3600	660' FSL & 660' FNL
Chapman & Schneider	OGG "A"	1	G	35-24S-36E	12 1 1/2 9 7	928 2897 3399	250 500 150	100 * Circ.* 1560 *	3523	3399-3523 (TA)	1980' FNL & 1980' FEL
Chapman & Schneider	OGG "A"	2	B	35-24S-36E	12 1 1/2 9 5/8 7	169 1675 3462	100 1000 200	Circ.* Circ.* 1540 *	3541	3290-3300 (TA)	660' FNL & 1980' FEL
Chapman & Schneider	OGG "A"	4	D	35-24S-36E	12 1 1/2 9 5/8 7	175 1617 3453	100 1000 200	Circ.* Circ.* 1540 *	3486	3453-3486 (TA)	660' FNL & 660' FNL
Chapman & Schneider	OGG "B"	2	H	34-24S-36E	12 1 1/2 9 5/8 7	161 1346 3354	175 1000 200	Circ.* Circ.* 1440	3501	3354-3501 (TA)	1980' FNL & 660' FEL

<u>Operator</u>	<u>Lease</u>	<u>Well No.</u>	<u>Unit</u>	<u>S-T-R</u>	<u>Casing</u>	<u>Depth Set</u>	<u>Sacks Cement</u>	<u>Cement Top</u>	<u>Total Depth</u>	<u>Producing Interval</u>	<u>Footage Location</u>
Cities Service	Everett	3	L	35-24S-36E	12 1/2 9 5/8 7	163 1495 3405	100 700 125	Circ. Circ.* 2840	3508	P & A 5/52	1980' FSL & 660' FWL
Continental Oil	Gates A-26	1	H	26-24S-36E	10 3/4 7 5/8 5 1/2	219 1673 3443	300 300 300	Circ. 1400 2315	3470	P & A 1/11/46	660' FSL & 660' FWL
Continental Oil	Gates A-27	1	P	27-24S-36E	10 3/4 7 5/8 5 1/2	251 1663 3448	150 500 300	Circ.* Circ.* 800 *	3496	3448-96 (TA)	660' FSL & 660' FWL
A. F. Roberts, Jr.	Ogg "B"	3	A	34-24S-36E	12 1/2 9 5/8 7	174 1444 3318	175 1000 175	Circ. Circ.* 1680	3515	P & A 9/25/60	660' FNL & 660' FWL
Texaco Inc.	Everett	1	P	35-24S-36E	12 1/2 9 5/8 7 5 1/2 liner 3190-3443 w/35 sx	168 1633 3410	100 1000 175	Circ. Circ. 1935	3443	P & A 8/13/48	1980' FNL & 1980' FWL

* Calculated

EXHIBIT NO. _____

Chapman & Schneider

I. B. Ogg "A" No. 3

Injection Pressure: None - vacuum

Formation: Seven Rivers Reef

Estimated Volume: 3300 barrels per day

Source of water:

<u>Operator</u>	<u>Lease</u>	<u>Daily Volume</u>
Chapman & Schneider	I. B. Ogg "A"	300 Barrels*
Chapman, Schneider & Ares	Woolworth	<u>3000</u> Barrels 3300 Barrels

* Dependent upon returning additional Ogg "A" wells to production.

BEFORE EXAMINER NUTTER

OIL CONSERVATION DIVISION

Chapman EXHIBIT NO. 4

CASE NO. 6671



WOLF PETRO LAB, INC.

DIAL EMERSON 6.9701
DIAL EMERSON 6.7171

2411 WEST 42ND STREET

P. O. BOX 643
ODESSA, TEXAS

79760

WATER ANALYSIS

EXHIBIT NO. _____

Charge SID LAINER
Test No. WPL-77-265
Date of Run 3/24/77
Date Received 3/20/77

A Sample of Produced Water from Ogg "A" Lease

Secured from _____

At Lee County New Mexico Secured by Sid Lainer

Purpose _____ Time _____ Date 3/20/77

Sampling Conditions: _____

CONSTITUENTS REPORTED AS PARTS PER MILLION UNLESS OTHERWISE SPECIFIED

P Alkalinity - - CaCO_3	Dissolved Oxygen - - O_2
Total Alkalinity - - CaCO_3	Free Carbon Dioxide - - CO_2
Chloride - - Cl <u>8250</u>	Hydrogen Sulfide - - H_2S
Calcium - - Ca	Chromate - - CrO_4
Magnesium - - Mg	Manganese - - Mn
Sulfate - - SO_4 <u>5600</u>	Sodium - - Na
Total Hardness - - CaCO_3	Carbonate - - CO_3
Silica - - SiO_2	Bicarbonate - - HCO_3
Alumina - - Al_2O_3	Total Dissolved Solids <u>21622</u>
Phosphate - - PO_4	pH @ <u>75</u> °F <u>6.10</u>
Total Iron (Water)	Specific Conductance - - Micromhos
Total Iron (Oil)	Specific Gravity @ _____ °F

COUPON DATA

Coupon No.	Initial Wt. Grams	Test Period	Terminal Wt. Grams	Wt. Loss Grams
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Average Corrosion Rate MPY: Coupon No. _____

Average Corrosion Rate MPY: Coupon No. _____

Description of Corrosion _____

BEFORE EXAMINER NUTTER

OIL CONSERVATION DIVISION

Chapman EXHIBIT NO. 5

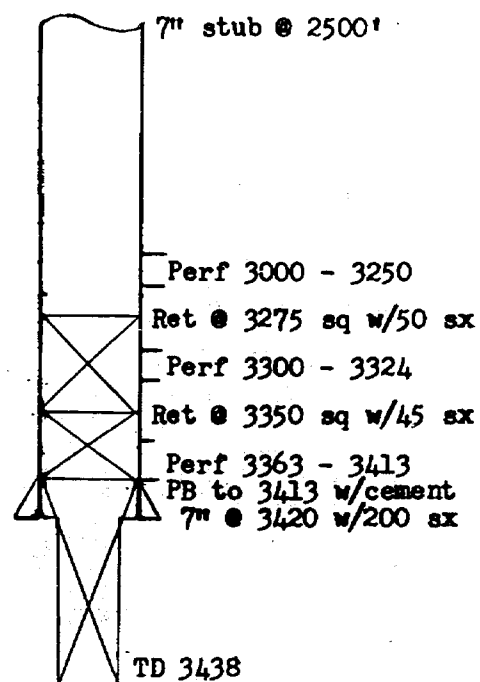
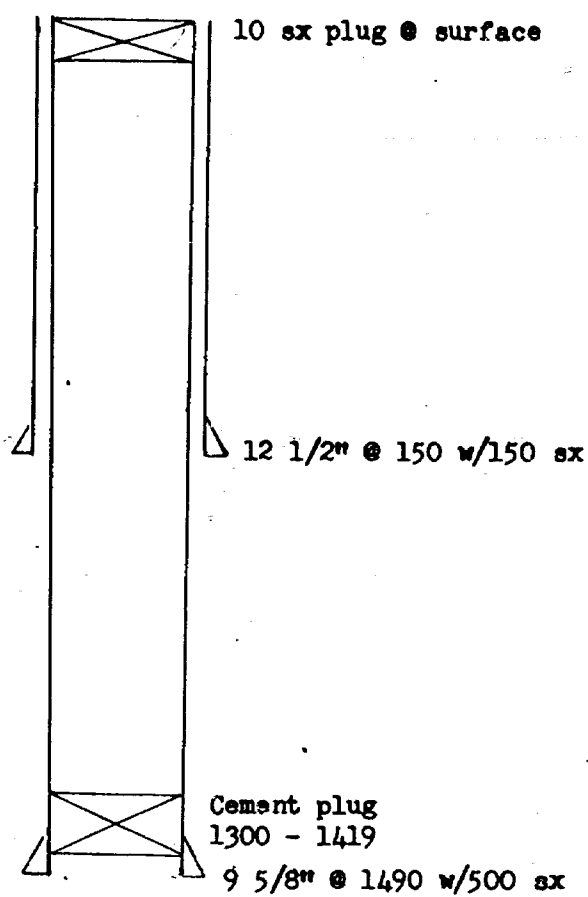
CASE NO. 6671

Copies To: 4- Oil Reports and Gas Service
P.O. Box 763
Hobbs, New Mexico 88240

1- File

J. Wolf
Analyzed By:

Amerada Hess Corp.
 Everett No. 2
 Unit N, Sec. 26, T24S, R36E
 P & A 7/30/43



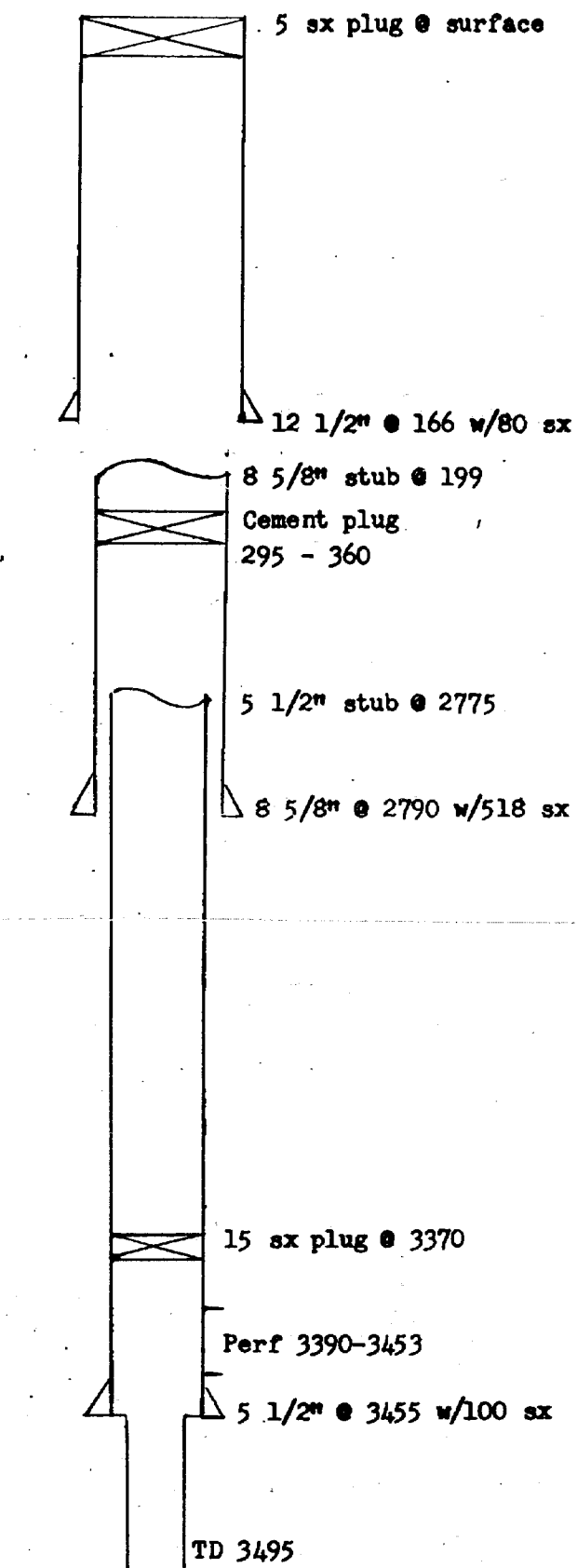
BEFORE EXAMINER NUTTER

OIL CONSERVATION DIVISION

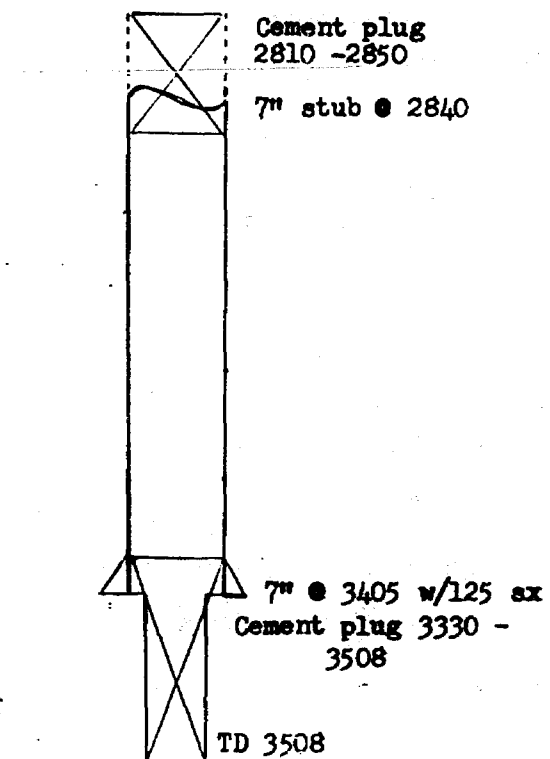
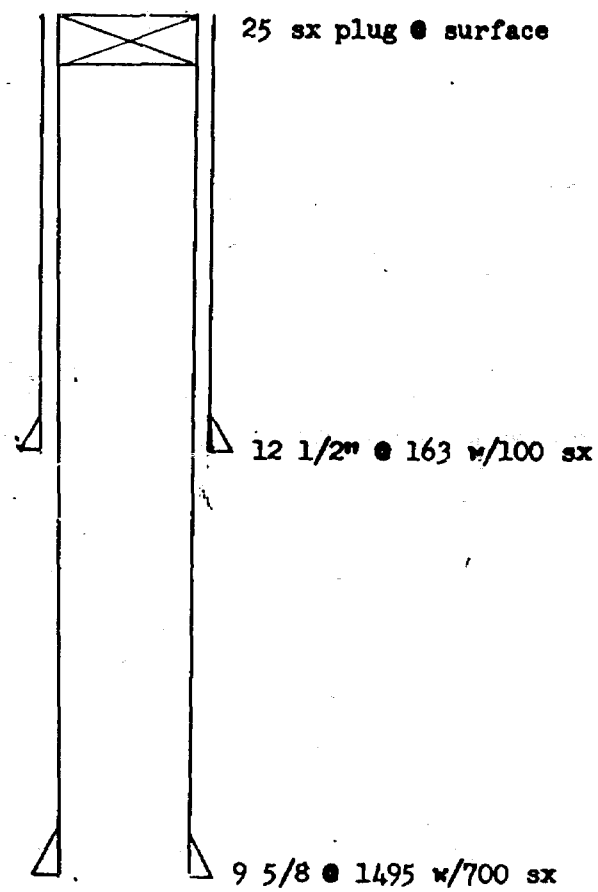
Chapman EXHIBIT NO. 6

CASE NO. 6671

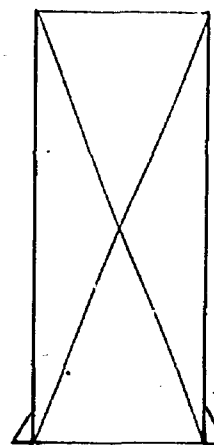
Amerada Hess Corp.
Everett No. 3
Unit I, Sec. 34, T24S, R36E
P & A 8/6/47



Cities Service Co.
Everett No. 3
Unit L, Sec. 35, T24S, R36E
P & A 5/52

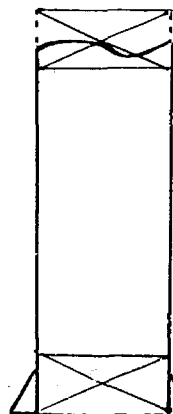


Continental Oil Co.
 Gates A-26 No. 1
 Unit M, Sec. 26, T24S, R36E
 P & A 1/11/46



Cement plug
 219 - surface

10 3/4" @ 219 w/300 sx



7 5/8" stub @ 1400'
 Cement plug @ 1400'
 Top, bottom, number of
 sacks not on record

Cement plug @ 1673'
 Top, bottom, number of
 sacks not on record
 7 5/8" @ 1673 w/500 sx

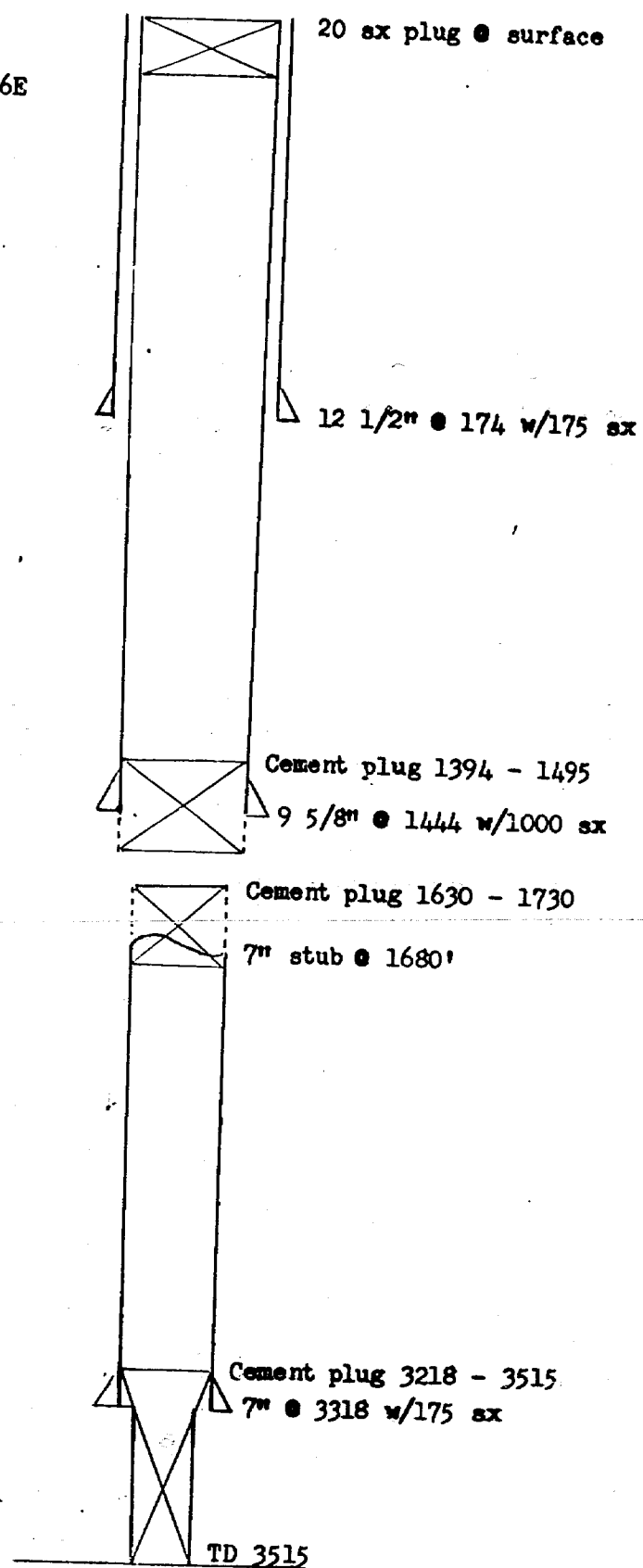


Cement plug @ 2315'
 Top, bottom, number of
 sacks not on record
 5 1/2" stub @ 2315'

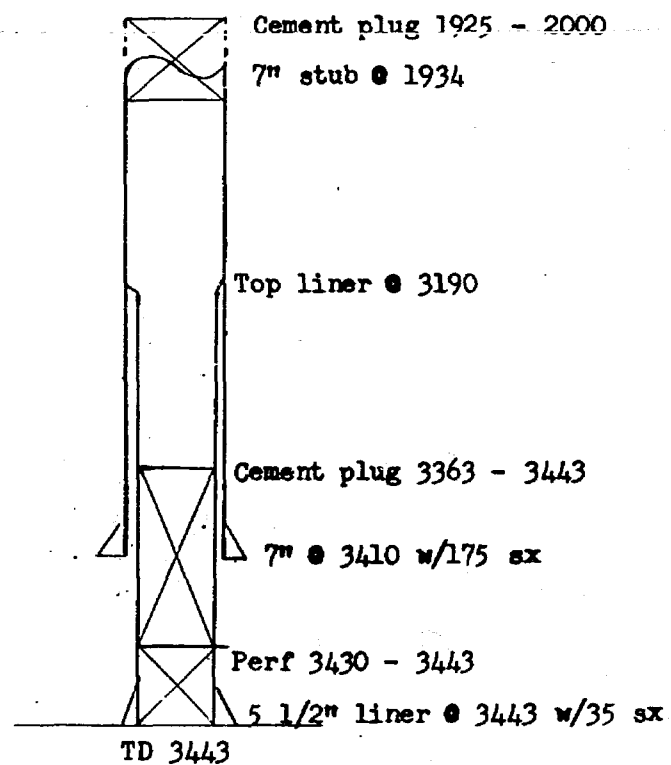
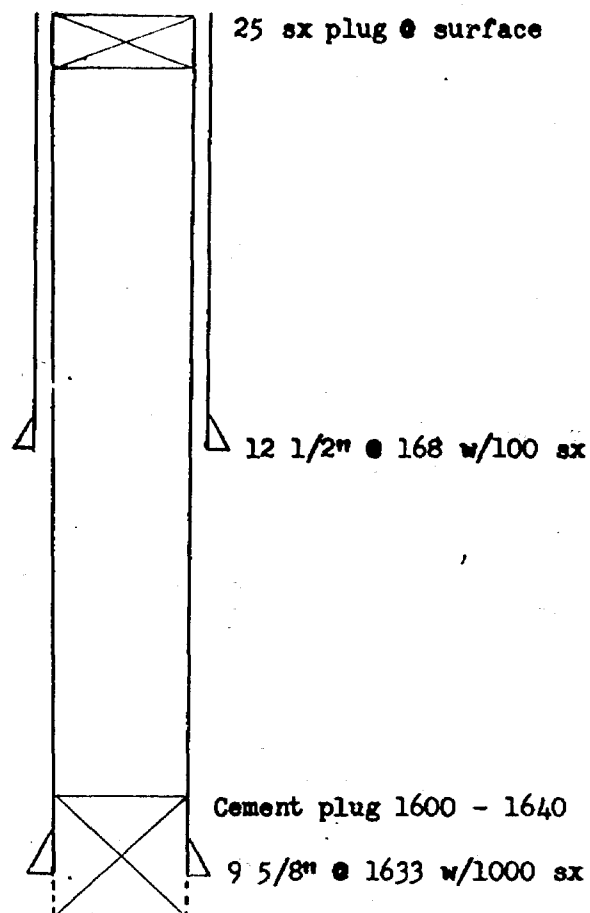
PB to 3300 w/cement
 5 1/2" @ 3443 w/300 sx

TD 3470

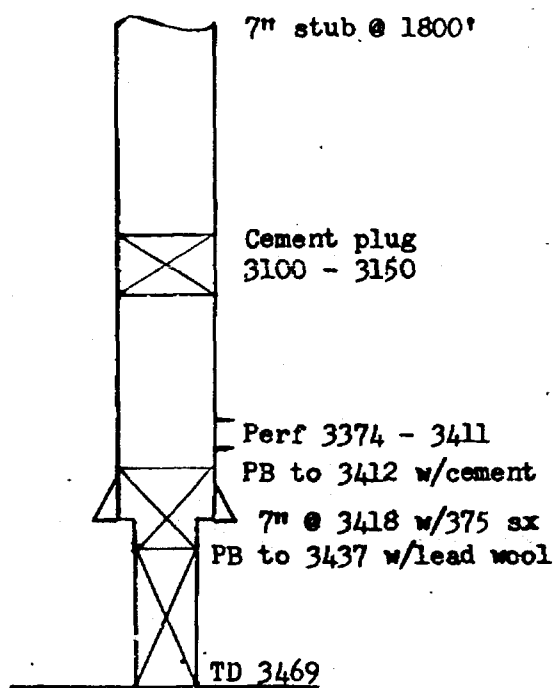
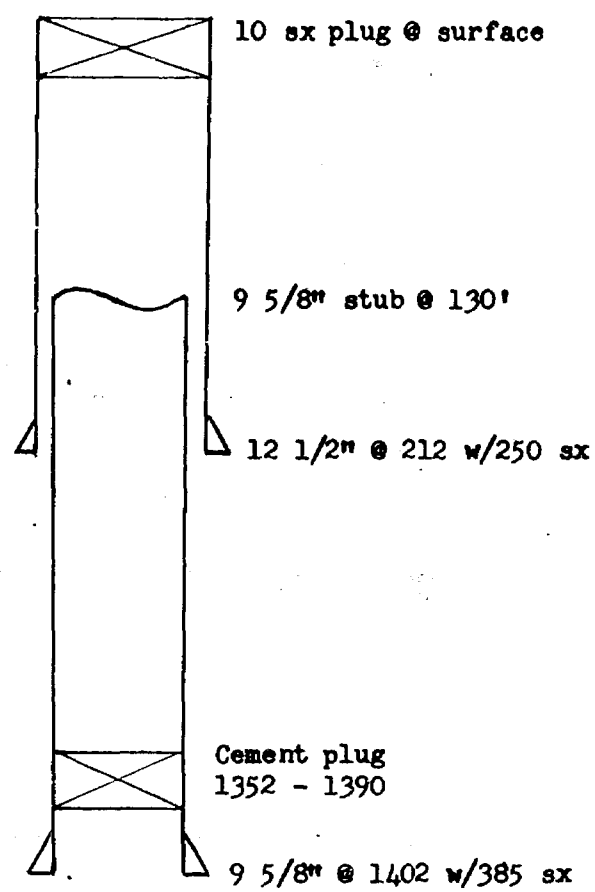
A. F. Roberts, Jr.
Ogg B No. 3
Unit A, Sec. 34, T24S, R36E
P & A 9/25/60



Texaco Inc.
 Everett No. 1
 Unit F, Sec. 35, T24S, R36E
 P & A 8/13/48



Amerada Hess Corp.
Everett No. 1
Unit C, Sec. 35, T24S, R36E
P & A 4/23/43



Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Gentlemen:

This is to advise that Sam D. Ares has no objection to the conversion of the Chapman & Schneider, I. B. Ogg "A" No. 3 to a salt water disposal well. Said well is located 1980 feet from the North line and 660 feet from the West line of Section 35, Township 24 South, Range 36 East, Jalmat Pool, Lea County, New Mexico.

It is understood that water will be disposed into open hole interval 3422 to 3504 feet.

SAM D. ARES

By Sam D. Ares

Date 9-26-79

BEFORE EXAMINER NUTTER	
OIL CONSERVATION DIVISION	
<u>Chapman</u>	EXHIBIT NO. <u>7</u>
CASE NO.	<u>6671</u>

Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Gentlemen:

This is to advise that Burleson & Huff has no objection to the conversion of the Chapman & Schneider, I. B. Ogg "A" No. 3 to a salt water disposal well. Said well is located 1980 feet from the North line and 660 feet from the West line of Section 35, Township 24 South, Range 36 East, Jalmat Pool, Lea County, New Mexico.

It is understood that water will be disposed into open hole interval 3422 to 3504 feet.

BURLESON & HUFF

By *L. B. Burleson*

Date *Oct. 11, 1979*

Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Gentlemen:

This is to advise that Continental Oil Company has no objection to the conversion of the Chapman & Schneider, I. B. Ogg "A" No. 3 to a salt water disposal well. Said well is located 1980 feet from the North line and 660 feet from the West line of Section 35, Township 24 South, Range 36 East, Jalmat Pool, Lea County, New Mexico.

It is understood that water will be disposed into open hole interval 3422 to 3504 feet.

~~CONTINENTAL OIL COMPANY~~ CONOCO INC.

By

John R. Kemp

John R. Kemp

Date September 27, 1979

EXHIBIT NO. 1

CHAPMAN & SCHNEIDER
WELL NO. 3
I. B. OGG "A" LEASE
1980' FNL and 660' FWL
Section 35-T24S-R36E
Lea County, N. M.

25-3
EXHIBIT 1
Case 6671

Jalmat
Langlie-Mattix
Custer Devonian
Salt Water Disp.

CHAPMAN AND SCHNEIDER
I.B. OGG "A" NO. 3 WELL
LOCATED UNIT E, SECTION 35,
T24S-R36E, LEA COUNTY
NEW MEXICO

DIAGRAMMATIC WELL SKETCH

EXHIBIT NO. 2

case 6671

Piping and Pressure Gauge
To monitor Pressure or
Flow into 9 5/8" casing

Piping and Pressure Gauge
To monitor Flow or
Pressure into 7" casing

Surface Pipe
Dug out and
Exposed for
Examination for
Pressure or Flow

12 1/2" Set At 171'
with 100 sx. Calc
Top At Surface

9 5/8" Annulus Filled with
2% KCL Water

9 5/8" Set At 1366' w/
1000 sx - Calc. Top
at Surface

2 7/8" Plastic Coated Tubing with
Baker Oil Tool Loc - Set
Packer Set at 3300'

7" Set At 3422' with
200 sx. Calc. Top at 1826'
From Surface.

TOTAL DEPTH 3504'

A TABULATION
OF WELLS WITHIN 1/2 - MILE

OF
CHAPMAN & SCHNEIDER - I. B. OGC "A"
No. 3

EXHIBIT NO. 3

Case 6621

<u>Operator</u>	<u>Lease</u>	<u>Well No.</u>	<u>Unit</u>	<u>S-T-R</u>	<u>Casing</u>	<u>Depth Set</u>	<u>Sacks Cement</u>	<u>Cement Top</u>	<u>Total Depth</u>	<u>Producing Interval</u>	<u>Footage Location</u>
Amerada Hess	Everett	1	C	35-24S-36E	12 1/2 9 5/8 7	212 1402 3418	250 385 375	Circ. 130 1800	3469	P & A 7/23/43	660' FNL & 1980' FNL
Amerada Hess	Everett	2	N	26-24S-36E	12 1/2 9 5/8 7	150 1419 3420	150 500 200	Circ. Circ.* 2500	3438	P & A 7/30/43	660' FSL & 1980' FNL
Amerada Hess	Everett	3	I	34-24S-36E	12 1/2 8 5/8 5 1/2	166 2790 3455	80 518 100	Circ. 200 2775	3495	P & A 8/6/47 ✓	1980' FSL & 660' FNL
Sam D. Ares	Everett	1	K	35-24S-36E	12 1/2 9 5/8 7	57 1507 3410	50 1000 100	Circ. Circ.* 2460 *	3445	3360-70	1980' FSL & 1980' FNL
Sam D. Ares	Everett	4	M	35-24S-36E	12 1/2 9 5/8 7	144 1543 3363	100 600 100	Circ. Circ.* 2400 *	3600	SWD 3292-3600	660' FSL & 660' FNL
Chapman & Schneider	OGG "A"	1	G	35-24S-36E	12 1/2 9 7	928 2897 3399	250 500 150	100 * Circ.* 1560 *	3523	3399-3523 (TA)	1980' FNL & 1980' FEL
Chapman & Schneider	OGG "A"	2	B	35-24S-36E	12 1/2 9 5/8 7	169 1675 3462	100 1000 200	Circ.* Circ.* 1540 *	3541	3290-3300 (TA)	660' FNL & 1980' FEL
Chapman & Schneider	OGG "A"	4	D	35-24S-36E	12 1/2 9 5/8 7	175 1617 3453	100 1000 200	Circ.* Circ.* 1540 *	3486	3453-3486 (TA)	660' FNL & 660' FNL
Chapman & Schneider	OGG "B"	2	H	34-24S-36E	12 1/2 9 5/8 7	161 1346 3354	175 1000 200	Circ.* Circ.* 1440	3354-3501 (TA)		1980' FNL & 660' FEL

<u>Operator</u>	<u>Lease</u>	<u>Well No.</u>	<u>Unit</u>	<u>S-T-R</u>	<u>Casing</u>	<u>Depth Set</u>	<u>Sacks Cement</u>	<u>Cement Top</u>	<u>Total Depth</u>	<u>Producing Interval</u>	<u>Footage Location</u>
Cities Service	Everett	3	L	35-24S-36E	12 1/2 9 5/8 7	163 1495 3405	100 700 125	Circ. Circ.* 2840	3508	P & A 5/52	1980' PSL & 660' PNL
Continental Oil	Gates A-26	1	M	26-24S-36E	10 3/4 7 5/8 5 1/2	219 1673 3443	300 500 300	Circ. 1400 2315	3470	P & A 1/11/46	660' PSL & 660' PNL
Continental Oil	Gates A-27	1	P	27-24S-36E	10 3/4 7 5/8 5 1/2	251 1663 3448	150 500 300	Circ.* Circ.* 800 *	3496	3448-96 (TA)	660' PSL & 660' PNL
A. F. Roberts, Jr.	Ogg "B"	3	A	34-24S-36E	12 1/2 9 5/8 7	174 1444 3318	175 1000 175	Circ. Circ.* 1680	3515	P & A 9/25/60	660' PNL & 660' PNL
Texaco Inc.	Everett	1	P	35-24S-36E	12 1/2 9 5/8 7 5 1/2 liner 3190-3443 w/35 sx	168 1633 3410	100 1000 175	Circ. Circ. 1935	3443	P & A 8/13/48	1980' PNL & 1980' PNL

* Calculated

Chapman & Schneider

I. B. Ogg "A" No. 3

Injection Pressure: None - vacuum

Formation: Seven Rivers Reef

Estimated Volume: 3300 barrels per day

Source of Water:

<u>Operator</u>	<u>Lease</u>	<u>Daily Volume</u>
Chapman & Schneider	I. B. Ogg "A"	300 Barrels*
Chapman, Schneider & Ares	Woolworth	<u>3000 Barrels</u> 3300 Barrels

* Dependent upon returning additional Ogg "A" wells to production.

Exhibit 4
Case 6671



WOLF PETRO LAB, INC.

DIAL EMERSON 8.9701
DIAL EMERSON 6.7171

2411 WEST 42ND STREET

P. O. BOX 643
ODESSA, TEXAS

79760

WATER ANALYSIS

Charge SID LAINER

Test No. WPL-77-265

Date of Run 3/24/77

Date Received 3/20/77

A Sample of Produced Water from Ogg "A" Lease

Secured from _____

At Lee County New Mexico

Secured by Sid Lainer

Purpose _____

Time _____

Date 3/20/77

Sampling Conditions: _____

CONSTITUENTS REPORTED AS PARTS PER MILLION UNLESS OTHERWISE SPECIFIED

P Alkalinity - - CaCO ₃	Dissolved Oxygen - - O ₂
Total Alkalinity - - CaCO ₃	Free Carbon Dioxide - - CO ₂
Chloride - - Cl <u>8250</u>	Hydrogen Sulfide - - H ₂ S
Calcium - - Ca	Chromate - - CrO ₄
Magnesium - - Mg	Manganese - - Mn
Sulfate - - SO ₄ <u>5600</u>	Sodium - - Na
Total Hardness - - CaCO ₃	Carbonate - - CO ₃
Silica - - SiO ₂	Bicarbonate - - HCO ₃
Alumina - - Al ₂ O ₃	Total Dissolved Solids <u>21622</u>
Phosphate - - PO ₄	pH @ <u>7.5</u> °F <u>6.10</u>
Total Iron (Water)	Specific Conductance - - Micromhos
Total Iron (Oil)	Specific Gravity @ _____ °F

COUPON DATA

Coupon No.	Initial Wt. Grams	Test Period	Terminal Wt. Grams	Wt. Loss Grams
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Average Corrosion Rate MPY: Coupon No. _____

Average Corrosion Rate MPY: Coupon No. _____

Description of Corrosion _____

Exhibit 5
Case 6631

Copies To: 4- Oil Reports and Gas Service
P.O. Box 763
Hobbs, New Mexico 88240

1- File

J. Wolf
Analyzed By:

Amerada Hess Corp.
 Everett No. 2
 Unit N, Sec. 26, T24S, R36E
 P & A 7/30/43

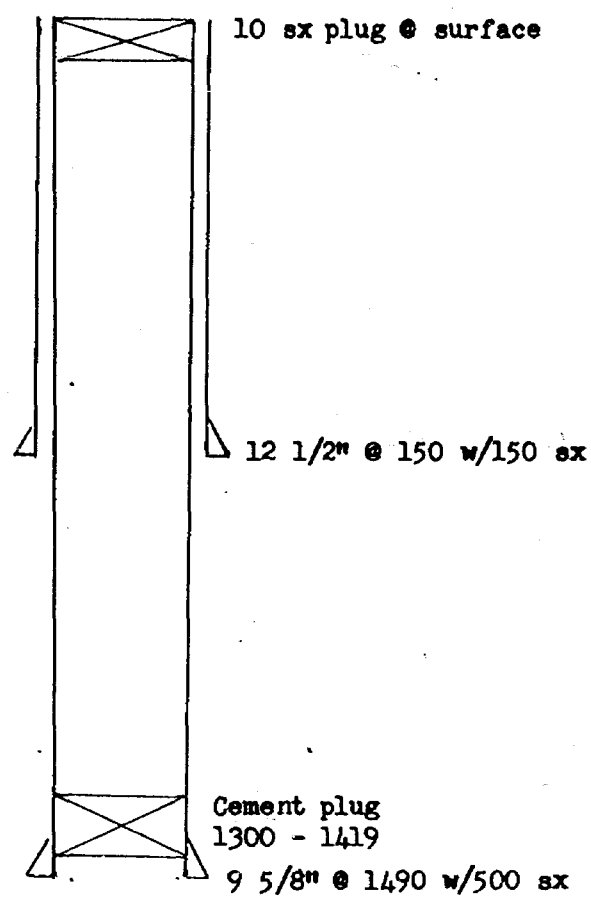
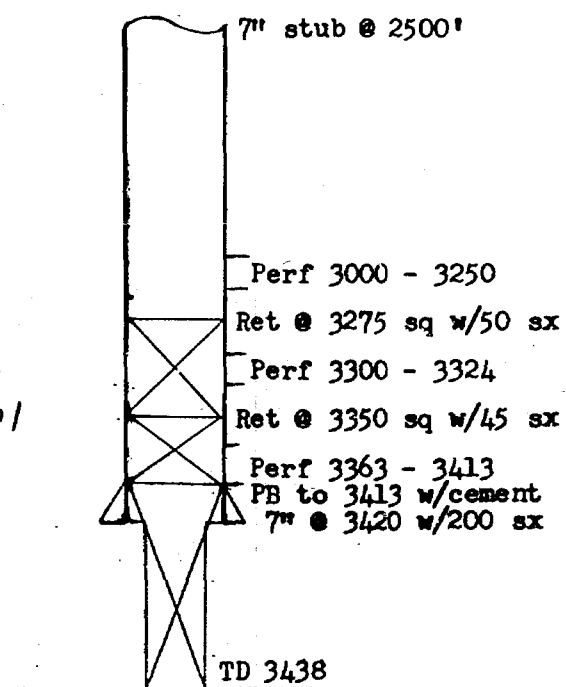
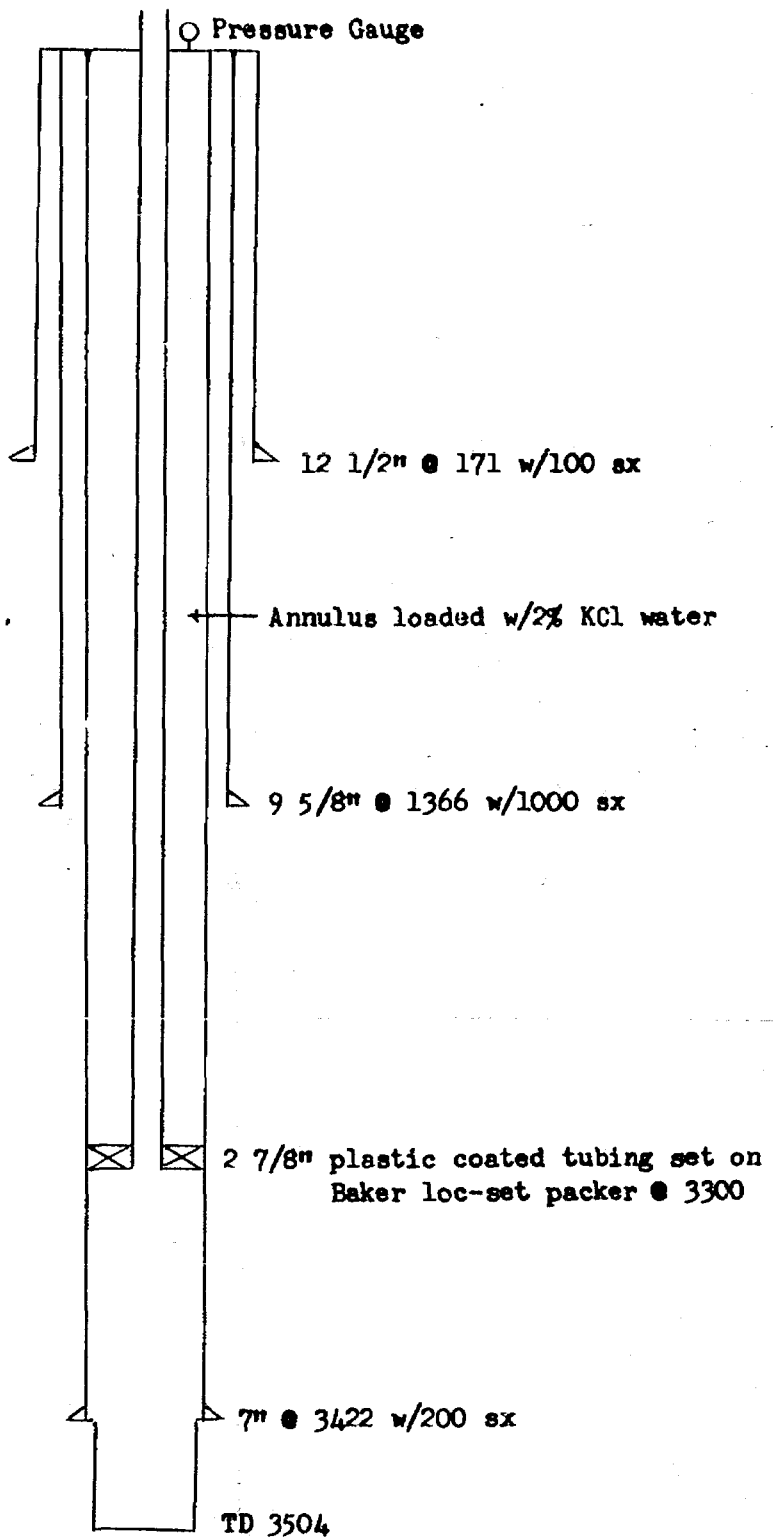


Exhibit 6
 case 6671



Chapman & Schneider
I. B. Ogg "A" No. 3
1980' FNL & 660' FWL
Sec. 35, T24S, R36E



Proposed Salt Water Disposal Well

Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Gentlemen:

This is to advise that Sam D. Ares has no objection to the conversion of the Chapman & Schneider, I. B. Ogg "A" No. 3 to a salt water disposal well. Said well is located 1980 feet from the North line and 660 feet from the West line of Section 35, Township 24 South, Range 36 East, Jalmat Pool, Lea County, New Mexico.

It is understood that water will be disposed into open hole interval 3422 to 3504 feet.

SAM D. ARES

By

Sam D. Ares

Date

9-76-79

Exhibit 7
Case 6671

Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501


Gentlemen:

This is to advise that Continental Oil Company has no objection to the conversion of the Chapman & Schneider, I. B. Ogg "A" No. 3 to a salt water disposal well. Said well is located 1980 feet from the North line and 660 feet from the West line of Section 35, Township 24 South, Range 36 East, Jalmat Pool, Lea County, New Mexico.

It is understood that water will be disposed into open hole interval 3422 to 3504 feet.

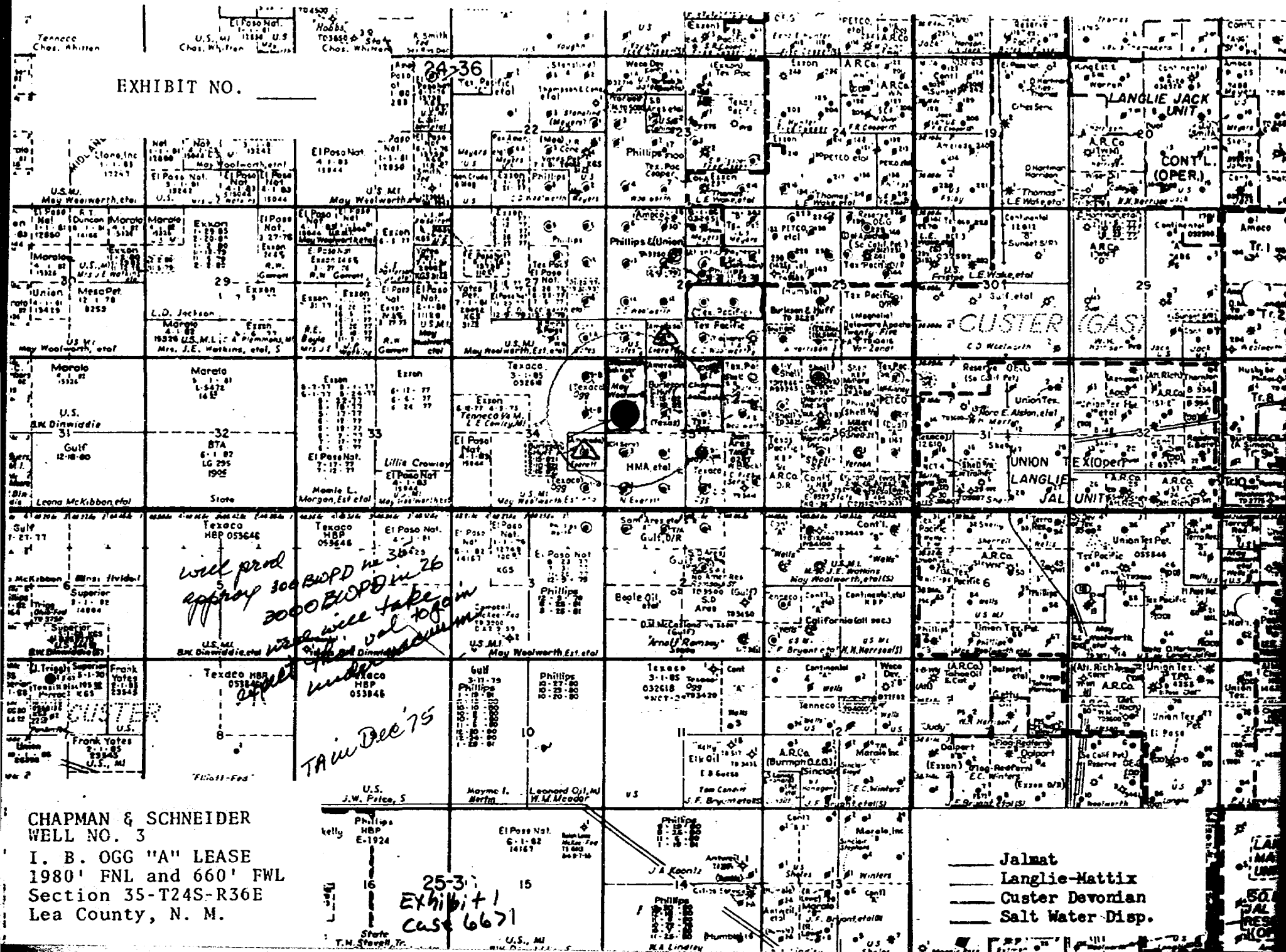
~~CONTINENTAL OIL COMPANY~~ CONOCO INC.

By


John R. Kemp

Date September 27, 1979

EXHIBIT NO.



CHAPMAN & SCHNEIDER
WELL NO. 3
I. B. OGG "A" LEASE
1980' FNL and 660' FWL
Section 35-T24S-R36E
Lea County, N. M.

EXHIBIT NO. 1

Chapman & Schneider

I. B. Ogg "A" No. 3

Injection Pressure: None - vacuum

Formation: Seven Rivers Reef

Estimated Volume: 3300 barrels per day

Source of water:

<u>Operator</u>	<u>Lease</u>	<u>Daily Volume</u>
Chapman & Schneider	I. B. Ogg "A"	300 Barrels*
Chapman, Schneider & Ares	Woolworth	<u>3000</u> Barrels 3300 Barrels

* Dependent upon returning additional Ogg "A" wells to production.



WOLF PETRO LAB, INC.

DIAL EMERSON 6-9701
DIAL EMERSON 6-7171

2411 WEST 42ND STREET

P. O. BOX 643
ODESSA, TEXAS

79760

WATER ANALYSIS

EXHIBIT NO. _____

Charge SID LAINER

Test No. WPL-77-265

Date of Run 3/24/77

Date Received 3/20/77

A Sample of Produced Water from Ogg "A" Lease

Secured from _____

At Lee County New Mexico

Secured by Sid Lainer

Purpose _____

Time _____

Date 3/20/77

Sampling Conditions: _____

CONSTITUENTS REPORTED AS PARTS PER MILLION UNLESS OTHERWISE SPECIFIED

P. Alkalinity - - CaCO_3	Dissolved Oxygen - - O_2
Total Alkalinity - - CaCO_3	Free Carbon Dioxide - - CO_2
Chloride - - Cl <u>8250</u>	Hydrogen Sulfide - - H_2S
Calcium - - Ca	Chromate - - CrO_4
Magnesium - - Mg	Manganese - - Mn
Sulfate - - SO_4 <u>5600</u>	Sodium - - Na
Total Hardness - - CaCO_3	Carbonate - - CO_3
Silica - - SiO_2	Bicarbonate - - HCO_3
Alumina - - Al_2O_3	Total Dissolved Solids <u>21622</u>
Phosphate - - PO_4	pH @ <u>75</u> °F <u>6.10</u>
Total Iron (Water)	Specific Conductance - - Micromhos
Total Iron (Oil)	Specific Gravity @ _____ °F

COUPON DATA

Coupon No.	Initial Wt. Grams	Test Period	Terminal Wt. Grams	Wt. Loss Grams
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Average Corrosion Rate MPY: Coupon No. _____

Average Corrosion Rate MPY: Coupon No. _____

Description of Corrosion _____

Exhibit 5
case 6671

Copies To: 4- Oil Reports and Gas Service
P.O. Box 763
Hobbs, New Mexico 88240

1- File

J. Wolf
Analyzed By:

Amerada Hess Corp.
Everett No. 2
Unit N, Sec. 26, T24S, R36E
P & A 7/30/43

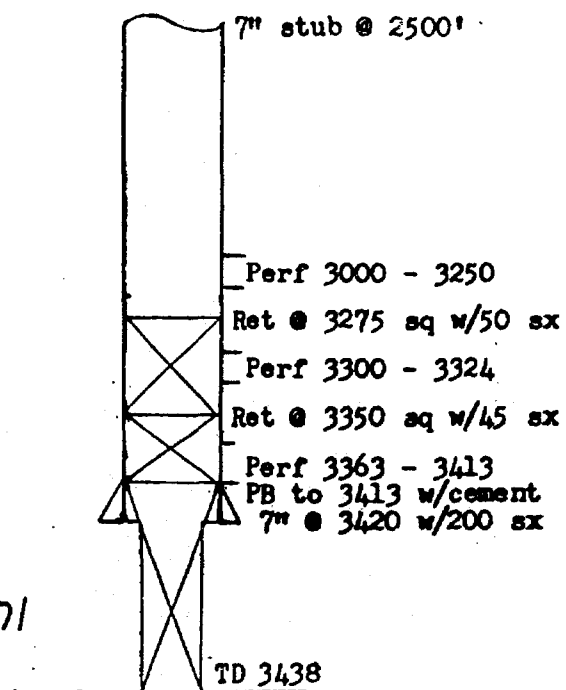
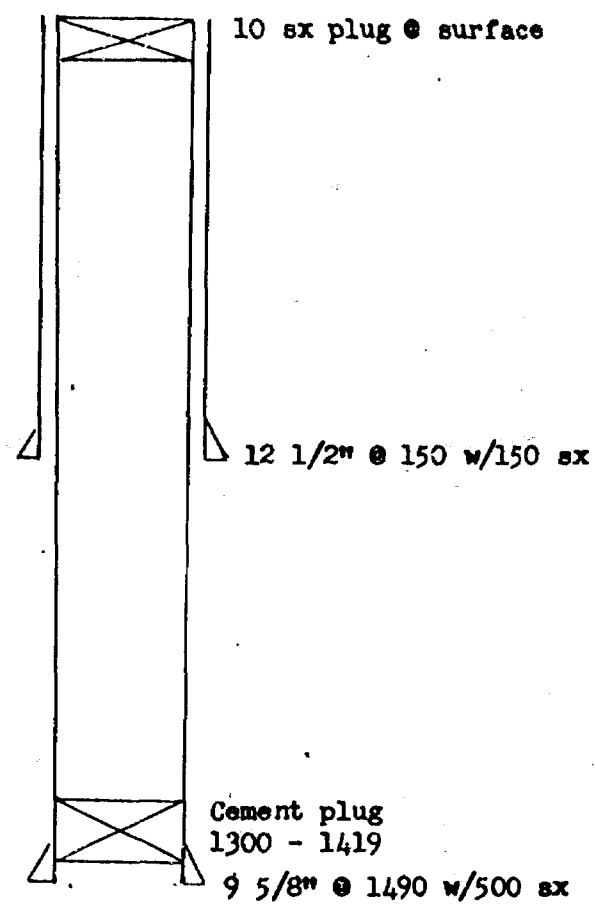


Exhibit 6
Case 6671

Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Gentlemen:

This is to advise that Sam D. Ares has no objection to the conversion of the Chapman & Schneider, I. B. Ogg "A" No. 3 to a salt water disposal well. Said well is located 1980 feet from the North line and 660 feet from the West line of Section 35, Township 24 South, Range 36 East, Jalmat Pool, Lea County, New Mexico.

It is understood that water will be disposed into open hole interval 3422 to 3504 feet.

SAM D. ARES

By Sam D. Ares

Date 9-26-79

Exhibit 7
Case 6671

Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

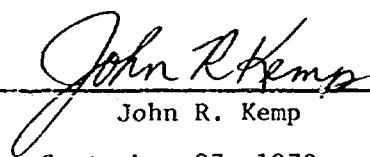
Gentlemen:

This is to advise that Continental Oil Company has no objection to the conversion of the Chapman & Schneider, I. B. Ogg "A" No. 3 to a salt water disposal well. Said well is located 1980 feet from the North line and 660 feet from the West line of Section 35, Township 24 South, Range 36 East, Jalmat Pool, Lea County, New Mexico.

It is understood that water will be disposed into open hole interval 3422 to 3504 feet.

~~CONTINENTAL OIL COMPANY~~ CONOCO INC.

By


John R. Kemp

Date September 27, 1979



WOLF PETRO LAB, INC.

DIAL EMERSON 6-9701
DIAL EMERSON 6-7171

2411 WEST 42ND STREET

P. O. BOX 643
ODESSA, TEXAS

79760

WATER ANALYSIS

EXHIBIT NO. 5

Charge SID LAINER

Test No. WPL-77-265

Date of Run 3/24/77

Date Received 3/20/77

A Sample of Produced Water from Ogg "A" Lease

Secured from _____

At Lee County New Mexico

Secured by Sid Lainer

Purpose _____

Time _____

Date 3/20/77

Sampling Conditions: _____

CONSTITUENTS REPORTED AS PARTS PER MILLION UNLESS OTHERWISE SPECIFIED

P Alkalinity - - CaCO_3	Dissolved Oxygen - - O_2
Total Alkalinity - - CaCO_3	Free Carbon Dioxide - - CO_2
Chloride - - Cl <u>8250</u>	Hydrogen Sulfide - - H_2S
Calcium - - Ca	Chromate - - CrO_4
Magnesium - - Mg	Manganese - - Mn
Sulfate - - SO_4 <u>5600</u>	Sodium - - Na
Total Hardness - - CaCO_3	Carbonate - - CO_3
Silica - - SiO_2	Bicarbonate - - HCO_3
Alumina - - Al_2O_3	Total Dissolved Solids <u>21622</u>
Phosphate - - PO_4	pH @ <u>75</u> °F <u>6.10</u>
Total Iron (Water)	Specific Conductance - - Micromhos
Total Iron (Oil)	Specific Gravity @ _____ °F

COUPON DATA

Coupon No.	Initial Wt. Grams	Test Period	Terminal Wt. Grams	Wt. Loss Grams
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Average Corrosion Rate MPY: Coupon No. _____

Average Corrosion Rate MPY: Coupon No. _____

Description of Corrosion _____

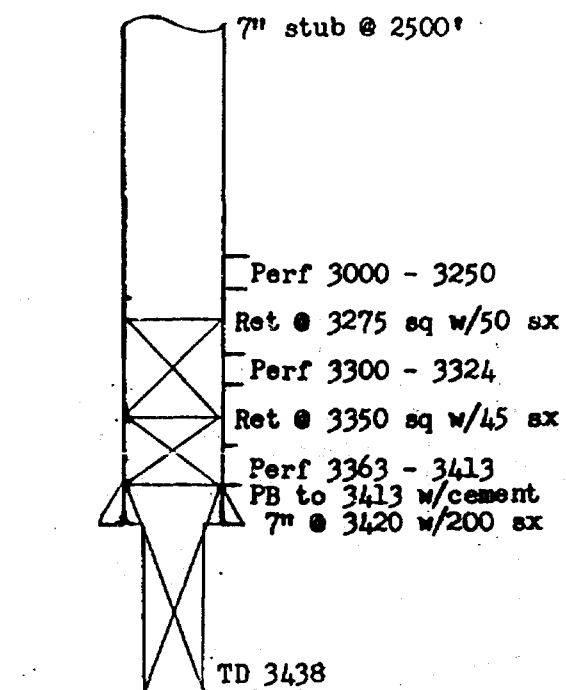
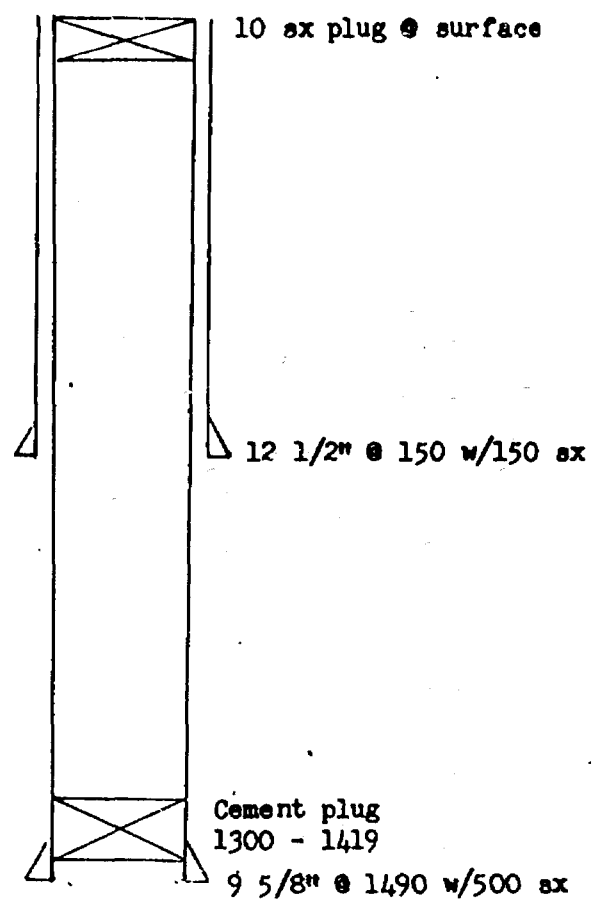
Copies To:

4- Oil Reports and Gas Service
P.O. Box 763
Hobbs, New Mexico 88240

1- File

Analyzed By: J. Wolf

Amerada Hess Corp.
Everett No. 2
Unit N, Sec. 26, T24S, R36E
P & A 7/30/43



Dockets Nos. 41-79 and 42-79 are tentatively set for October 31 and November 14, 1979. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - OCTOBER 17, 1979

9 A.M. - OIL CONSERVATION DIVISION 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 for November, 1979, from fifteen prorated pools in Lea, Eddy, and Chaves Counties, New Mexico.

(2) Consideration of the allowable production of gas for November, 1979, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

CASE 6693: 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 a Pennsylvanian test well to be located 1130 feet from the South line and 1300 feet from the East line of Section 30, Township 17 South, Range 26 East, the S/2 of said Section 30 to be dedicated to the well.

CASE 6694: Application of Yates Petroleum Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp-Pennsylvanian formations underlying the S/2 of Section 35, Township 18 South, Range 25 East, to be dedicated to a well to be drilled at a standard location thereon. 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 applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 6695: Application of Millard-Deck Oil Company for a non-standard gas proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an 80-acre non-standard gas proration unit comprising the NE/4 NW/4 and NW/4 NE/4 of Section 36, Township 24 South, Range 36 East, Jalmat Gas Pool, to be dedicated to a well to be drilled at a standard location thereon.

CASE 6696: Application of R. Q. Silverthorne for an unorthodox oil well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a Yates test well to be drilled 1310 feet from the South and West lines of Section 30, Township 18 South, Range 31 East, Shugart Pool.

CASE 6697: Application of Conoco Inc. for an unorthodox location and dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Wells B-1 Well No. 5 at an unorthodox Devonian location 1650 feet from the North line and 660 feet from the East line of Section 1, Township 25 South, Range 36 East, to produce gas from the Devonian and Ellenburger formations, Custer Field, thru parallel strings of tubing, the E/2 of said Section 1 to be dedicated to the well.

CASE 6671: (Continued from October 2, 1979, Examiner Hearing)

Application of Chapman and Schneider for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water in the Seven Rivers Reef formation in the open-hole interval from 3422 feet to 3504 feet in its I. B. Ogg "A" Well No. 3 located in Unit E of Section 35, Township 24 South, Range 36 East, Jalmat Pool.

CASE 6698: Application of Stevens Oil Company for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the San Andres formation underlying the NE/4 SW/4 of Section 30, Township 8 South, Range 29 East, to be dedicated to a well to be drilled at a standard location thereon. 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 applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 6699: Application of Robert C. Anderson for two unorthodox gas well locations, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of his Ute Mountain Ute Well No. 1 located in the center of Unit L, and Well No. 3, located 2310 feet from the North and West lines, both in Section 14, Township 31 North, Range 16 West, the SW/4 of said Section 14 to be dedicated to Well No. 1 and the NW/4 to be dedicated to Well No. 3.

CASE 6644: (Continued from September 19, 1979, Examiner Hearing)

Application of Tenneco Oil Corporation for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Fruitland and Pictured Cliffs production in the wellbores of its State K Com Well No. 12 located in Unit E of Section 16, Township 30 North, Range 9 West, and its Florence Well No. 60R in Unit L of Section 1, Township 29 North, Range 9 West.

CASE 6675: Application of Gifford, Mitchell & Wisenbaker for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Pawnee Unit Area, comprising 3,840 acres, more or less, of State and federal lands in Township 26 South, Range 36 East.

CASE 6671: (Continued from September 19, 1979, Examiner Hearing)

Application of Chapman and Schneider for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water in the Seven Rivers Reef formation in the open-hole interval from 3422 feet to 3504 feet in its I. B. Ogg "A" Well No. 3 located in Unit E of Section 35, Township 24 South, Range 36 East, Jalmat Pool.

CASE 6676: Application of Doyle Hartman for an unorthodox well location and a non-standard proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an 80-acre non-standard gas proration unit comprising the SW/4 NE/4 and SE/4 NW/4 of Section 36, Township 24 South, Range 36 East, Jalmat Gas Pool, to be dedicated to a well to be drilled at an unorthodox location 2310 feet from the North line and 1650 feet from the East line of said Section 36.

CASE 6677: Application of Texas Pacific Oil Company, Inc. for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Arrowhead-Grayburg and Eumont production in the wellbore of its Elliott B-6 Well No. 1 located in Unit M of Section 6, Township 22 South, Range 37 East.

CASE 6678: Application of Texas Pacific Oil Company, Inc. for downhole commingling and a special casinghead gas allowable, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Blinbry and Tubb production in the wellbore of its Eva Owens Well No. 1 located in Unit M of Section 25, Township 21 South, Range 37 East. Applicant further seeks an increase in the casinghead gas allowable for said well.

CASE 6660: (Continued from September 19, 1979, Examiner Hearing)

Application of B. & W. Oil Reclaiming for an oil treating plant permit, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority for the construction and operation of an oil treating plant for the purpose of treating and reclaiming sediment oil at a site in the NE/4 NE/4 of Section 34, Township 18 South, Range 26 East.

CASE 6679: Application of El Paso Natural Gas Company for a gas storage unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Washington Ranch Morrow Unit Area comprising the Morrow formation and the first 100 feet immediately above and below said formation underlying all or parts of Sections 21 thru 23, 26 thru 29, and 32 thru 36, Township 25 South, Range 24 East; Sections 1 thru 5 and 9 thru 14, Township 26 South, Range 24 East; and Sections 6, 7, and 18, Township 26 South, Range 25 East, Washington Ranch-Morrow Gas Pool, Eddy County, New Mexico. Said unit area would be for the purpose of conducting a gas storage project and would comprise 12,158 acres, more or less, of State, federal and fee lands.

CASE 6630: (Continued from August 22, 1979, Examiner Hearing)

Application of El Paso Natural Gas Company for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Basin-Dakota and BS Mesa-Gallup production in the wellbore of its San Juan 27-4 Unit Well No. 37 located in Unit N of Section 33, Township 27 North, Range 4 West.

CASE 6680: Application of Robert C. Anderson for surface commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the surface commingling of all production from his Ute Mountain Ute Lease, Wells Nos. 1, 3 and 4, located in Section 14, Township 31 North, Range 16 West.

CASE 6681: 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 a Wolfcamp-Mississippian test well to be located 660 feet from the South line and 1100 feet from the West line of Section 31, Township 18 South, Range 26 East, the S/2 of said Section 31 to be dedicated to the well.

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
Oil Conservation Division
State Land Office Bldg.
Santa Fe, New Mexico
19 September 1979

EXAMINER HEARING

IN THE MATTER OF:

Application of Chapman and Schneider for)
salt water disposal, Lea County, New)
Mexico.)

CASE
6671

BEFORE: Daniel S. Nutter

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation
Division:

Ernest L. Padilla, Esq.
Legal Counsel for the Division
State Land Office Bldg.
Santa Fe, New Mexico 87503

For the Applicant:

W. Thomas Kellahin, Esq.
KELLAHIN & KELLAHIN
500 Don Gaspar
Santa Fe, New Mexico 87501

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3030 Plaza Blanca (SSE) 411-2462
Santa Fe, New Mexico 87501

1 MR. NUTTER: Call next Case Number 6671.

2 MR. PADILLA: Application of Chapman and
3 Schneider for salt water disposal, Lea County, New Mexico.

4 MR. KELLAHIN: Tom Kellahin of Santa Fe,
5 New Mexico, appearing on behalf of the applicant.

6 We'd like to request that that case be
7 continued to the hearing on October 2nd.

8 MR. NUTTER: Case Number 6671 will be
9 continued to the Examiner Hearing scheduled to be held at
10 this same place at 9:00 o'clock a. m. October 2, 1979.

11
12 (Hearing concluded.)
13
14

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
2020 Plaza Blanca (666) 471-2462
Santa Fe, New Mexico 87501

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REPORTER'S CERTIFICATE

I, SALLY W. BOYD, a court reporter, DO HEREBY CERTIFY that the foregoing and attached Transcript of Hearing before the Oil Conservation Division was reported by me; that the said transcript is a full, true, and correct record of the hearing, prepared by me to the best of my ability from my notes taken at the time of the hearing.

Sally W. Boyd C.S.R.
Sally W. Boyd, C.S.R.

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 6671 heard by me on 9/19 1979.

[Signature], Examiner
Oil Conservation Division

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3030 Plaza Blanca (SOS) 471-2462
Santa Fe, New Mexico 87501

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
Oil Conservation Division
State Land Office Bldg.
Santa Fe, New Mexico
19 September 1979

EXAMINER HEARING

IN THE MATTER OF:

Application of Chapman and Schneider for) CASE
salt water disposal, Lea County, New) 6671
Mexico.)

BEFORE: Daniel S. Nutter

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation Division: Ernest L. Padilla, Esq.
Legal Counsel for the Division
State Land Office Bldg.
Santa Fe, New Mexico 87503

For the Applicant: W. Thomas Kellahin, Esq.
KELLAHIN & KELLAHIN
500 Don Caspar
Santa Fe, New Mexico 87501

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3026 Plaza Blanca (SOS) 471-2402
Santa Fe, New Mexico 87501

1 MR. NUTTER: Call next Case Number 6671.

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11
12 (Hearing concluded.)
13
14

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
1020 Plaza Blanca (SOS) 471-2462
Santa Fe, New Mexico 87501

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Sally W. Boyd, C.S.R.

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 6671, heard by me on 9/19 1979.

[Signature], Examiner
Oil Conservation Division

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3030 Plaza Blanca (SOS) 471-5462
Santa Fe, New Mexico 87501

- CASE 6668: Application of Delta Drilling Company for pool creation and special pool rules, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new oil pool for Bone Spring production for its SCB Unit Well No. 3 in Unit G of Section 23, Township 23 South, Range 28 East, and special rules therefor, including 80-acre spacing.
- CASE 6669: Application of Mesa Petroleum Company for the amendment of Order No. R-6078, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Order No. R-6078 to cover the Wolfcamp and Pennsylvanian formations in the compulsory pooling of the E/2 of Section 10, Township 16 South, Range 27 East, rather than the Morrow formation only.
- CASE 6644: (Continued from September 5, 1979, Examiner Hearing)
- Application of Tenneco Oil Corporation for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Fruitland and Pictured Cliffs production in the wellbores of its State K Com Well No. 12 located in Unit E of Section 16, Township 30 North, Range 9 West, and its Florence Well No. 60R in Unit L of Section 1, Township 29 North, Range 9 West.
- CASE 6670: Application of BTA Oil Producers for pool creation and special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new Devonian gas pool for its 7811 JV-P Rojo Well No. 1 located in Unit D of Section 27, Township 25 South, Range 33 East, and special rules therefor, including 640-acre gas well spacing.
- CASE 6671: Application of Chapman and Schneider for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water in the Seven Rivers Reef formation in the open-hole interval from 3422 feet to 3504 feet in its I. B. Ogg "A" Well No. 3 located in Unit E of Section 35, Township 24 South, Range 36 East, Jalmat Pool.
- CASE 6672: Application of Coquina Oil Corporation for an exception to Rule 303C, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an exception to the Division's Rule 303C to permit its Vivian Well No. 1 located in Unit F of Section 30, Township 22 South, Range 38 East, in which Drinkard and Granite Wash production is commingled in the wellbore, to produce in excess of the 50-barrel limit imposed by said rule.
- CASE 6673: Application of Conoco Inc. for a non-standard proration unit, unorthodox well locations, and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 440-acre non-standard gas proration unit comprising the SW/4 and S/2 NW/4 of Section 17 and the N/2 NE/4, SE/4 NE/4, and N/2 SE/4 of Section 18, all in Township 21 South, Range 36 East, Eumont Pool, to be simultaneously dedicated to the following wells at unorthodox locations: Meyer A-1 Wells Nos. 11 in Unit K of Section 17 and 6 and 14 in Units B and J of Section 18.
- CASE 6580: (Continued from August 22, 1979, Examiner Hearing)
- Application of Continental Oil Company for a carbon dioxide injection project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to initiate a pilot carbon dioxide injection project in the Grayburg-San Andres formation in Units H and I of Section 20, Township 17 South, Range 32 East, Maljamar Pool, for tertiary recovery purposes.

KELLAHIN and KELLAHIN

Attorneys at Law

500 Don Gaspar Avenue

Post Office Box 1769

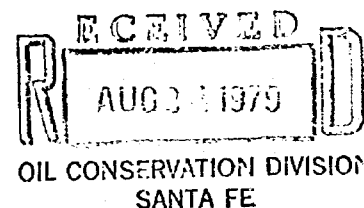
Santa Fe, New Mexico 87501

Telephone 982-4285
Area Code 505

Jason Kellahin
W. Thomas Kellahin
Karen Aubrey

August 23, 1979

Mr. Joe Ramey
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

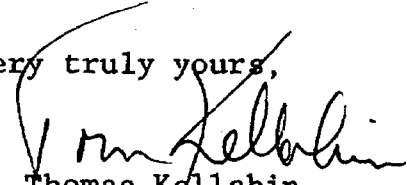


Re: Application of Chapman and Schneider for
Salt Water Disposal, Lea County, N.M.

Dear Joe:

Please set the enclosed Application for hearing on
September 19, 1979.

Very truly yours,

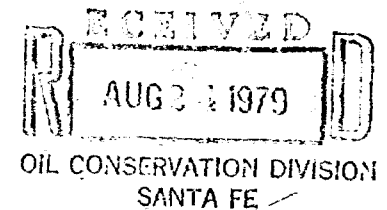

W. Thomas Kellahin

WTK:eps
Enclosure

cc: Mrs. Donna Holler
Mr. Robert Schneider

STATE OF NEW MEXICO
DEPARTMENT OF ENERGY AND MINERALS
OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION OF
CHAPMAN AND SCHNEIDER FOR SALT WATER
DISPOSAL, LEA COUNTY, NEW MEXICO



A P P L I C A T I O N

Case 6671

Comes now Chapman and Schneider, by their attorneys Kellahin & Kellahin, and apply to the Oil Conservation Division of New Mexico for approval to disposal of produced salt water in their I. B. Ogg "A" No. 3 well located 1980 feet from the North line and 660 feet from the West line of Section 35, T24S, R36E, NMPM, Lea County, New Mexico and in support thereof would show:

1. That in accordance with Rule 701 of the Oil Conservation Division, applicant submits the following Exhibits which are attached hereto and incorporated by reference:

a) A plat showing the pool from which each well in a two mile radius is producing or was being produced before abandonment.

b) A tabulation of casing size, depth set, sacks cement, cement tops, total depth and producing interval of all wells within one-half mile radius.

c) A schematic sketch of all plugged wells within a one-half mile radius.

d) A schematic sketch of proposed disposal well.

e) A statement as to source and volume of water, disposal zone and pressure.


f) A water analysis of water produced from the Ogg "A" lease.

2. That approval of this Application is in the best interest of conservation, the prevention of waste and the protection of correlative rights.

WHEREFORE applicant requests that this matter be set for hearing and that after notice and hearing the application be approved as requested.

Respectfully submitted,

KELLAHIN & KELLAHIN

By 
W. Thomas Kellahin
P. O. Box 1769
Santa Fe, New Mexico 87501

ATTORNEYS FOR APPLICANTS

STATE OF NEW MEXICO
DEPARTMENT OF ENERGY AND MINERALS
OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION OF
CHAPMAN AND SCHNEIDER FOR SALT WATER
DISPOSAL, LEA COUNTY, NEW MEXICO

Case 6671

A P P L I C A T I O N

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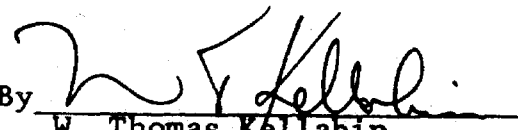
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Respectfully submitted,

KELLAHIN & KELLAHIN

By 
W. Thomas Kellahin
P. O. Box 1769
Santa Fe, New Mexico 87501

ATTORNEYS FOR APPLICANTS

STATE OF NEW MEXICO
DEPARTMENT OF ENERGY AND MINERALS
OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION OF
CHAPMAN AND SCHNEIDER FOR SALT WATER
DISPOSAL, LEA COUNTY, NEW MEXICO

Case 6671

A P P L I C A T I O N

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- d) A schematic sketch of proposed disposal well.
- e) A statement as to source and volume of water, disposal zone and pressure.


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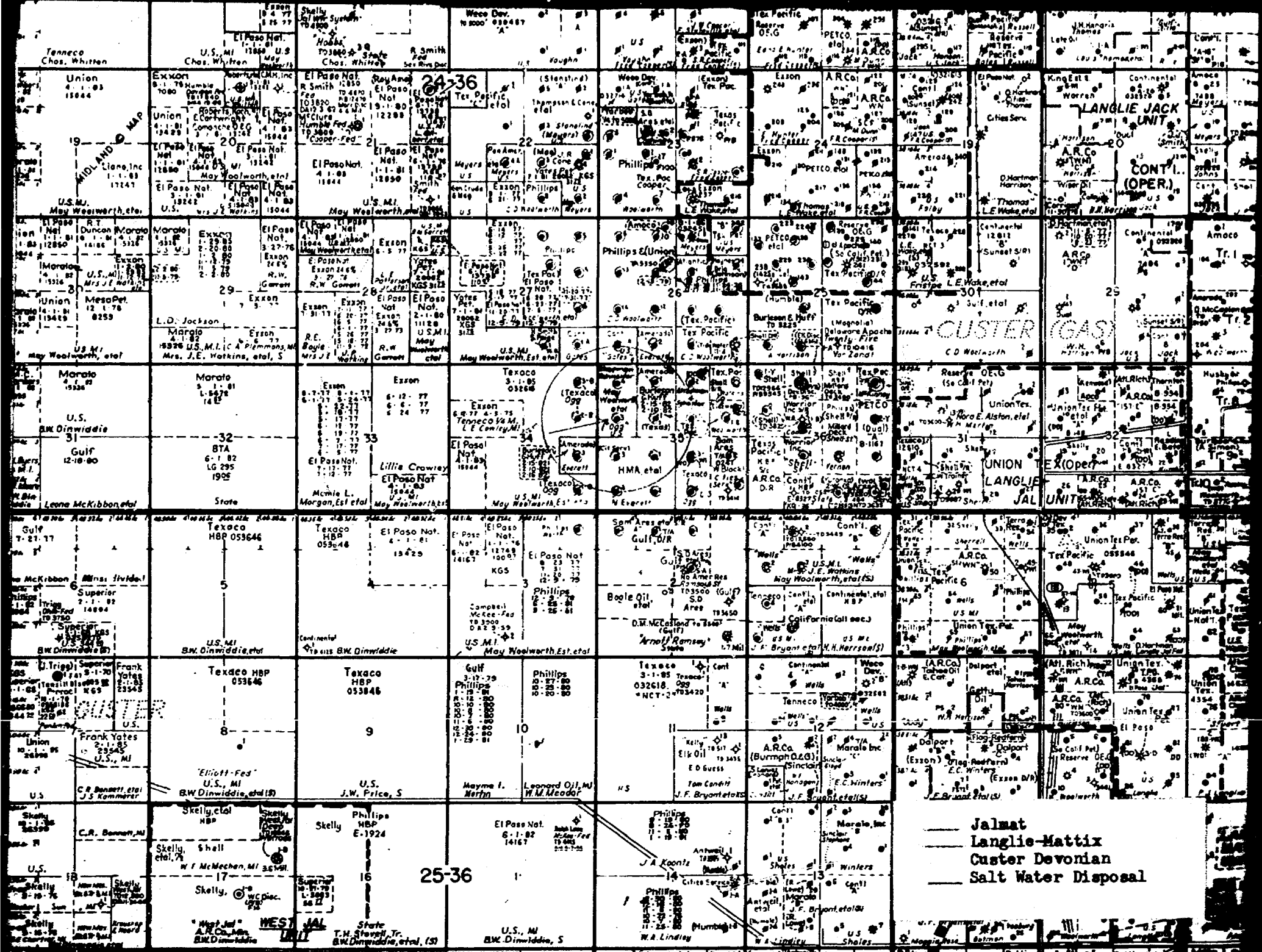
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Respectfully submitted,

KELLAHIN & KELLAHIN

By 
W. Thomas Kellahin
P. O. Box 1769
Santa Fe, New Mexico 87501

ATTORNEYS FOR APPLICANTS



A TABULATION
OF WELLS WITHIN 1/2 - MILE

OF
CHAPMAN & SCHNEIDER - I. B. OGG "A"
No. 3

<u>Operator</u>	<u>Lease</u>	<u>Well No.</u>	<u>Unit</u>	<u>S-T-R</u>	<u>Casing</u>	<u>Depth Set</u>	<u>Sacks Cement</u>	<u>Cement Top</u>	<u>Total Depth</u>	<u>Producing Interval</u>	<u>Footage Location</u>
Amerada Hess	Everett	1	C	35-24S-36E	12 1 1/2 9 5/8 7	212 1402 3418	250 385 375	Circ. 130 1800	3469	P & A 7/23/43	660' FNL & 1980' FNL
Amerada Hess	Everett	2	N	26-24S-36E	12 1 1/2 9 5/8 7	150 1419 3420	150 500 200	Circ. Circ.* 2500	3438	P & A 7/30/43	660' FSL & 1980' FNL
Amerada Hess	Everett	3	I	34-24S-36E	12 1 1/2 8 5/8 5 1/2	166 2790 3455	80 518 100	Circ. 200 2775	3495	P & A 8/6/47	1980' FSL & 660' FEL
Sam D. Ares	Everett	1	K	35-24S-36E	12 1 1/2 9 5/8 7	57 1507 3410	50 1000 100	Circ. Circ.* 2460 *	3445	3360-70	1980' FSL & 1980' FNL
Sam D. Ares	Everett	4	M	35-24S-36E	12 1 1/2 9 5/8 7	144 1543 3363	100 600 100	Circ. Circ.* 2400 *	3600	SWD 3292-3600	660' FSL & 660' FNL
Chapman & Schneider	Ogg "A"	1	G	35-24S-36E	12 1 1/2 9 7	928 2897 3399	250 500 150	100 * Circ.* 1560 *	3523	3399-3523 (TA)	1980' FNL & 1980' FEL
Chapman & Schneider	Ogg "A"	2	B	35-24S-36E	12 1 1/2 9 5/8 7	169 1675 3462	100 1000 200	Circ.* Circ.* 1540 *	3541	3290-3300 (TA)	660' FNL & 1980' FEL
Chapman & Schneider	Ogg "A"	4	D	35-24S-36E	12 1 1/2 9 5/8 7	175 1617 3453	100 1000 200	Circ.* Circ.* 1540 *	3486	3453-3486 (TA)	660' FNL & 660' FNL
Chapman & Schneider	Ogg "A"	2	H	34-24S-36E	12 1 1/2 9 5/8 7	161 1346 3354	175 1000 200	Circ.* Circ.* 1440 *	3501	3354-3501 (TA)	1980' FNL & 660' FEL

<u>Operator</u>	<u>Lease</u>	<u>Well No.</u>	<u>Unit</u>	<u>S-T-R</u>	<u>Casing</u>	<u>Depth Set</u>	<u>Sacks Cement</u>	<u>Cement Top</u>	<u>Total Depth</u>	<u>Producing Interval</u>	<u>Footage Location</u>
Cities Service	Everett	3	L	35-24S-36E	12 1/2 9 5/8 7	163 1495 3405	100 700 125	Circ. Circ.* 2840	3508	P & A 5/52	1980' FSL & 660' FWL
Continental Oil	Gates A-26	1	M	26-24S-36E	10 3/4 7 5/8 5 1/2	219 1673 3443	300 500 300	Circ. 1400 2315	3470	P & A 1/11/46	660' FSL & 660' FWL
Continental Oil	Gates A-27	1	P	27-24S-36E	10 3/4 7 5/8 5 1/2	251 1663 3448	150 500 300	Circ.* Circ.* 800 *	3496	3448-96 (TA)	660' FSL & 660' FWL
A. F. Roberts, Jr.	Ogg "B"	3	A	34-24S-36E	12 1/2 9 5/8 7	174 1444 3318	175 1000 175	Circ. Circ.* 1680	3515	P & A 9/25/60	660' FNL & 660' FWL
Texaco Inc.	Everett	1	F	35-24S-36E	12 1/2 9 5/8 7 5 1/2	168 1633 3410 Liner 3190-3443 w/35 sx	100 1000 175	Circ. Circ. 1935	3443	P & A 8/13/48	1980' FNL & 1980' FWL

* Calculated

ROUGH

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 6671

Order No. R- 6159

APPLICATION OF CHAPMAN AND SCHNEIDER
FOR SALT WATER DISPOSAL, LEA
COUNTY, NEW MEXICO

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on October 17
19 , at Santa Fe, New Mexico, before Examiner DSN

NOW, on this day of October, 19 79, the Division
Director, 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 Division has jurisdiction of this cause and the subject
matter thereof.

(2) That the applicant, Chapman and Schneider,
is the owner and operator of the I.B. OGG "A" Well No. 3,
located in Unit E of Section 35, Township 24 South,
Range 36 East, NMPM, Jalmat Pool,
Lea County, New Mexico.

(3) That the applicant proposes to utilize said well to
dispose of produced salt water into the Seven Rivers
formation, with injection into the open hole
interval from approximately 3422 feet to 3504 feet.

(4) That the injection should be accomplished through 2 7/8
-inch plastic lined tubing installed in a packer set at approxi-
mately 3300 feet; that the casing-tubing annulus should be
filled with an inert fluid; and that a pressure gauge or approved
leak detection device should be attached to the annulus in order

3422
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6844

to determine leakage in the casing, tubing, or packer.

(5) That the injection well or system should be ^{so} equipped, ~~as to limit the injection pressure at the casing shoe with a pop-off valve or acceptable substitute which will limit the wellhead pressure on the injection well to no more than 1000 psi.~~ *as to limit the injection pressure at the casing shoe to no more than hydrostatic pressure unless and until the Comrada Everett Well No. 3 in Unit I of Section 34 and the Little Service Everett Well No. 3 in Unit L of Section 35 have been re-entered and re-plugged, including*

(6) That the operator should notify the supervisor of the Hobbs district office of the Division of the date and time of the installation of disposal equipment so that the same may be inspected.

(7) That the operator should take all steps necessary to ensure that the injected water enters only the proposed injection interval and is not permitted to escape to other formations or onto the surface.

(8) 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, Chapman and Schneider, is hereby authorized to utilize its I.B. OGS "A" Well No. 3, located in Unit E of Section 35, Township 24 South, Range 36 East, NMPM, Jelmat Pool, Lea County, New Mexico, to dispose of produced salt water into the Seven Rivers formation, injection to be accomplished through 2 7/8-inch tubing installed in a packer set at approximately 8300 feet, with injection into the open hole interval from approximately 3422 feet to 3504 feet;

PROVIDED HOWEVER, that the tubing shall be plastic-lined; that the casing-tubing annulus shall be filled with an inert fluid; and that a pressure gauge shall be attached to the annulus

the filling of a cement plug at the base of the well section in each of said wells.

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

(2) That the injection well or system shall be ^{so} equipped ~~as to limit the injection pressure at the casing shoe to no more than hydrostatic pressure unless and until the annulus limit the wellhead pressure on the injection well to no more than psi.~~ *Everett Well No. 3 in Unit I of Section 34 and the other service wells in Unit I of Section 35 both in Township 24 South, Range 36 East, NMPM, have been re-plugged*

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

(4) That the operator shall immediately notify the supervisor of the Division's Hobbs 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.

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

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

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

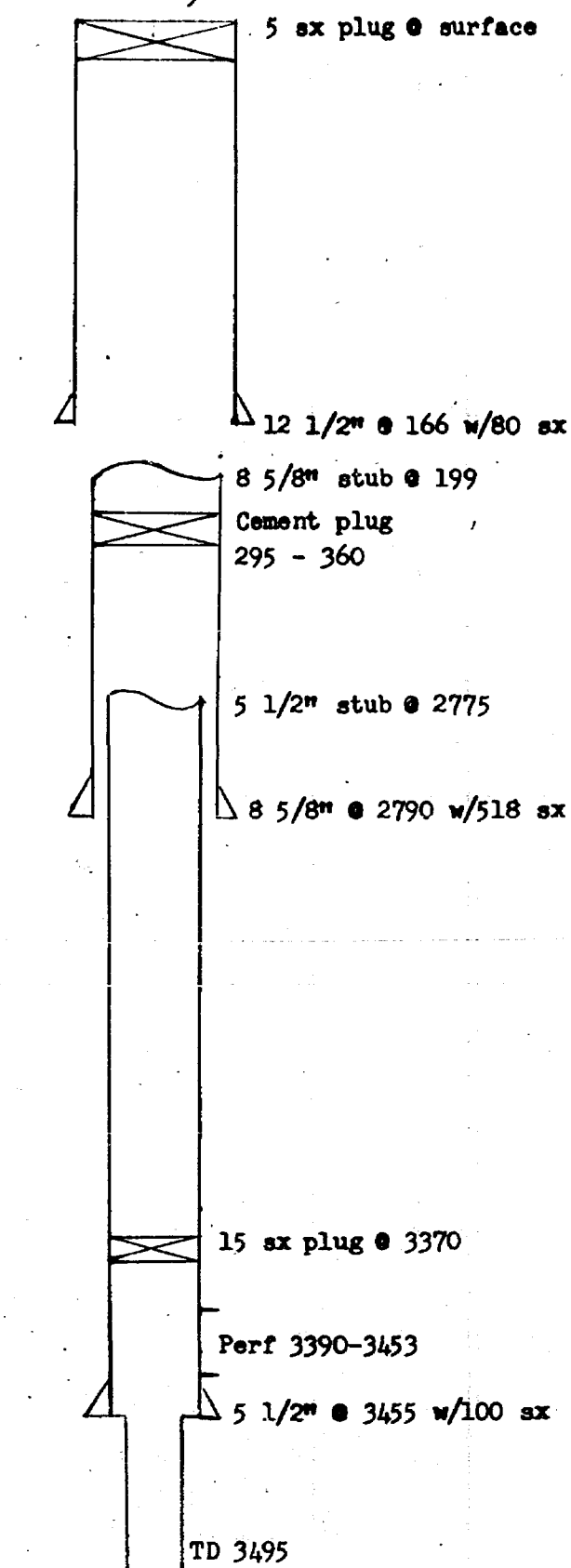
in such a manner as to include a cement plug at the base of the next section in each of said wells.

Amerada Hess Corp.
Everett No. 3
Unit I, Sec. 34, T24S, R36E
P & A 8/6/47

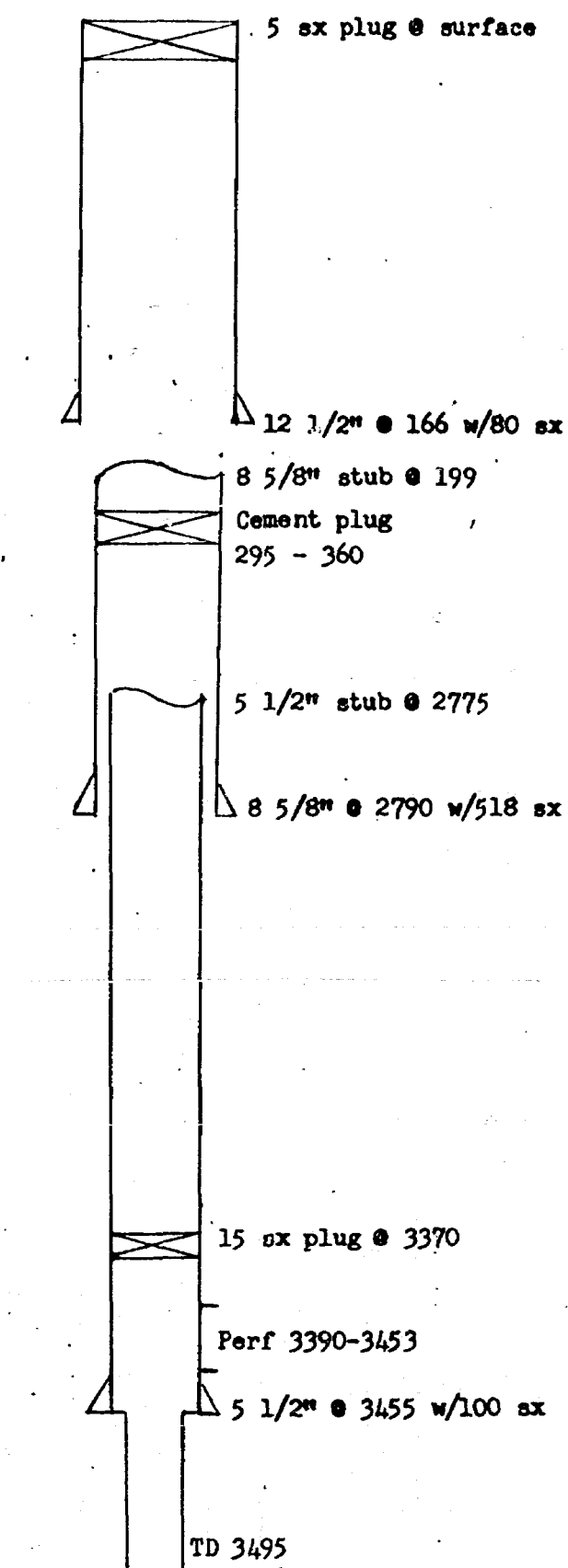
Ex. 6

Cs 6671

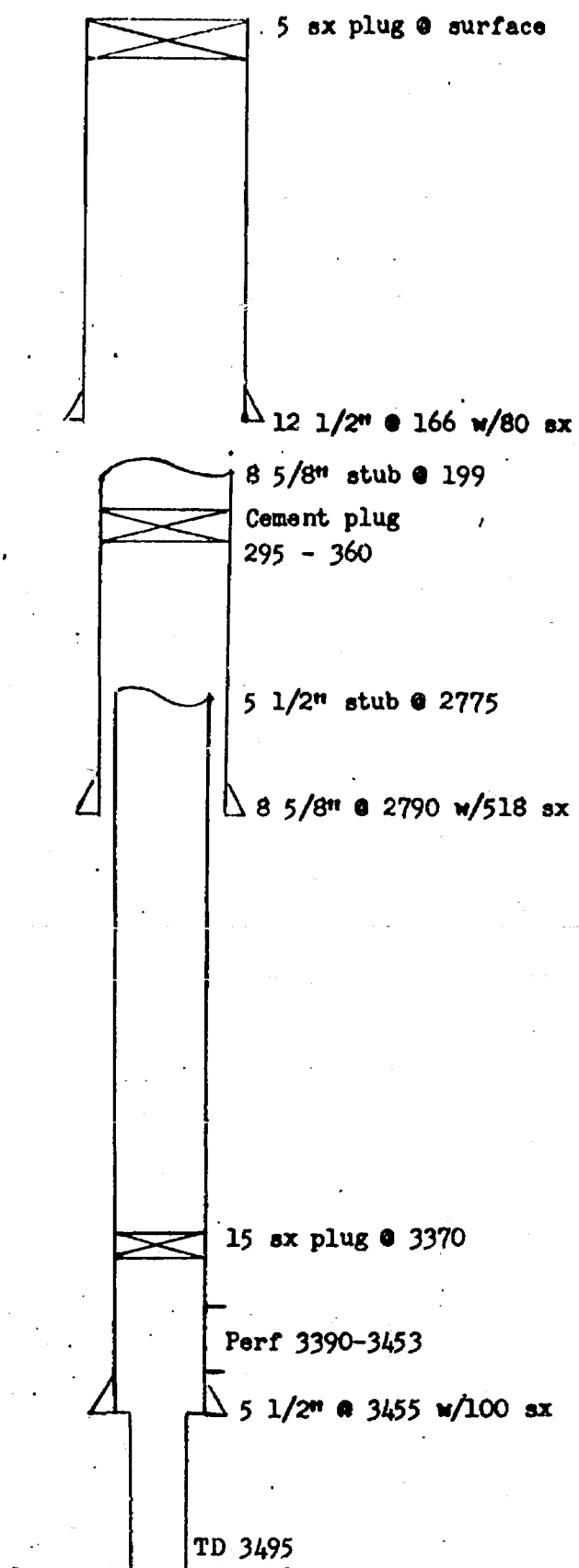
Chapman &
Schneider



Amerada Hess Corp.
Everett No. 3
Unit I, Sec. 34, T24S, R36E
P & A 8/6/47



Amerada Hess Corp.
Everett No. 3
Unit I, Sec. 34, T24S, R36E
P & A 8/6/47



A TABULATION
OF WELLS WITHIN 1/2 - MILE

OF
CHAPMAN & SCHNEIDER - I. B. OGC "A"
No. 3

EXHIBIT NO. 3

Operator	Lease	Well No.	Unit	S-T-R	Casing	Depth Set	Sacks Cement	Cement Top	Total Depth	Producing Interval	Footage Location
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