Entered September, 23, 1975

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION OF NEW MEXICO FOR THE PURPOSE OF CONSIDERING:

> CASE NO. 5497 Order No. R-5095

NOMENCLATURE

APPLICATION OF MESA PETROLEUM CO. FOR CREATION OF TWO GAS POOLS AND SPECIAL RULES, EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on August 27, 1975, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this <u>23rd</u> day of September, 1975, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Mesa Petroleum Co., seeks the creation of a new Strawn gas pool and a new Morrow gas pool for its Nash Unit Well No. 1 located in Unit H of Section 13, Township 23 South, Range 29 East, Eddy County, New Mexico.

(3) That the applicant further seeks the promulgation of special pool rules for said gas pools including provisions for 640-acre spacing units.

(4) That in said Nash Unit Well No. 1, applicant has discovered separate common sources of gas supply in the Strawn and Morrow formations.

(5) That at the present time said Nash Unit Well No. 1 is the only well completed in the Strawn and Morrow formations in said sources of gas supply.

(6) That said Nash Unit Well No. 1 is located within the Potash-Oil Area as defined by Commission Order R-111-A as amended.

(7) That the evidence presently available does not establish that one well can efficiently and economically drain 640 acres within said sources of gas supply. -2-Case No. 5497 Order No. R-5095

(8) That the evidence presently available does not establish that the proposed special pool rules are necessary for the orderly development of said common sources of supply nor for the protection of potash resources from undue waste or hazard from such development.

(9) That new pools for the production of gas from the Strawn formation and the Morrow formation should be created and designated as the Nash Draw-Strawn Gas Pool and Nash Draw-Morrow Gas Pool, respectively, with both pools having as horizontal limits the E/2 of Section 13, Township 23 South, Range 29 East, NMPM, Eddy County, New Mexico.

 (10) That in order to prevent the reduced recovery occasioned by the drilling of an insufficient number of wells and to otherwise prevent waste and protect correlative rights, the application for special pool rules for the pools set out in Finding
(9) above should be denied.

(11) That the pools set out in Finding (9) above should be governed by Commission Rules and Regulations for gas pools of Pennsylvanian age or older in Southeastern New Mexico.

IT IS THEREFORE ORDERED:

(1) That effective October 1, 1975, a new pool for the production of gas from the Strawn formation is hereby created and designated as the Nash Draw-Strawn Gas Pool with horizontal limits comprising the following described area:

EDDY COUNTY, NEW MEXICO TOWNSHIP 23 SOUTH, RANGE 29 EAST, NMPM Section 13: E/2

(2) That effective October 1, 1975 a new pool for the production of gas from the Morrow formation is hereby created and designated as the Nash Draw-Morrow Gas Pool with horizontal limits comprising the following described area:

EDDY COUNTY, NEW MEXICO TOWNSHIP 23 SOUTH, RANGE 29 EAST, NMPM Section 13: E/2

(3) That the application of Mesa Petroleum Co. for special pool rules for said Nash Draw-Strawn and Nash Draw-Morrow Gas Pools is hereby <u>denied</u>.

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

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

> STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

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PHIL R. LUCERO, Chairman

Euney Clusty Member ARNOLD, EMERY C, mer JOE D. RAMEY, Member & Secretary

SEAL



Entered Alexander 7. 1002 Q.J.J.

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION OF NEW MEXICO FOR THE PURPOSE OF CONSIDERING:

> CASE No. 3968 Order No. R-3612

APPLICATION OF TEXACO INC. FOR SALT WATER DISPOSAL, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on December <u>2</u>, 1968, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this <u>l6th</u> day of December, 1968, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Texaco Inc., is the owner and operator of the U. D. Sawyer Well No. 4, located in Unit O of Section 34, Township 9 South, Range 36 East, NMPM, Crossroads-Devonian Pool, Lea County, New Mexico.

(3) That the applicant proposes to utilize said well to dispose of produced salt water into the Devonian formation, with injection into the open-hole interval from approximately 12,400 feet to 12,550 feet.

(4) That the injection should be accomplished through 2 7/8-inch plastic-lined tubing set at approximately 12,000 feet; that the casing-tubing annulus should be filled with an inert fluid; and that a pressure gauge should be attached to

-2-CASE No. 3968 Order No. R-3612

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

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

IT IS THEREFORE ORDERED:

(1) That the applicant, Texaco Inc., is hereby authorized to utilize its U. D. Sawyer Well No. 4, located in Unit O of Section 34, Township 9 South, Range 36 East, NMPM, Crossroads-Devonian Pool, Lea County, New Mexico, to dispose of produced salt water into the Devonian formation, injection to be accomplished through 2 7/8-inch tubing set at approximately 12,000 feet, with injection into the open-hole interval from approximately 12,400 feet to 12,550 feet;

<u>PROVIDED HOWEVER</u>, 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 at the surface in order to determine leakage in the casing or tubing.

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

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

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

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION Ì CARGO, Chairman DAVID 14 Member, HAYS. Member & Secretary PORTER, Jr.,

SEAL

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