JOSEPH I. O'NEILL, JR.
OIL PROPERTIES

410 WEST OHIO
MIDLAND, TEXAS 79701

TELEPHONE
MUTUAL 3-2771

October 11, 1968

Case 3891

New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico 87501

Gentlemen:

The property in question is the Joseph I. O'Neill, Jr. Federal "O" #1, located in the SE/4 of the SE/4 of Section 14, 25S, 32E, Lea County, New Mexico. Nearest production is approximately 1-1/2 miles west, being the Paduca Field.

The well is completed in the Olds section of the Delaware sand with a total depth of 4,907 feet. Attached is Exhibit A showing well location.

Attached is Exhibit B showing the previous oil, gas and water production. Production for the month of September averaged 18.6 barrels of oil and 13 barrels of water per day. Attached is a water analysis marked Exhibit C.

Our request is for an exemption from Section 3 of the Provisions of Order R-3221, as amended, which would allow us to continue to dispose of salt water produced from this well in an unlined, earthen pit located at our tank battery, approximately 300 feet north of the producing well.

We believe that we are justified in this request for the following reasons:

1. There is no known potable water having been found or presently being produced within seven miles of this location. Water from these wells, seven miles distant and which are located south and east of this location, supply water by means of a 1-1/4 inch plastic line which terminates in Section 15 and is used to water stock during the winter months. Their production is very limited during the summer.

BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
Exhibit No. 1
Case No. 3891

2. A well 340 feet deep is located approximately two miles west and three miles north of our property and produces a very limited amount of water. A water analysis from this well is attached, marked Exhibit D. We have been advised that cattle will not drink this water; however, it is added to a tank of other water, the source of which is the "potash wells" and is hauled in by truck. These so-called potash wells are located six miles north and three miles east of our Federal "O" #1.

3. A cement-lined tank is located approximately two miles north of our well; however, water for it is supplied by a pipeline from the northeast and several miles distant.

4. Water used in the Paduca waterflood is being produced by The Texas Company from the Rustler formation at a location approximately seven miles west of our well.

To comply with the ruling requiring us to dispose of this produced water underground, it would be necessary for us to do one of three things:

1. Re-enter offset dry hole and complete as a salt water disposal well.

2. Lay a plastic or a plastic-lined pipeline from our well to the nearest battery in the Paduca Field and dispose of water into that field's salt water disposal system. This line would have to be 1.7 miles long.

3. Truck salt water from our well to some disposal system, which action would require trucks to come from Jal, New Mexico, a distance of approximately 35 miles.

It is obvious that a well of such limited production as our Federal "O" #1 could not support any one of the three projects, and we would, in all probability, soon abandon the lease. In conclusion, we believe, that because of the apparent absence of any potable water in the area and because of the very limited amount of salt water being produced, we are justified in requesting an exemption from the water disposal regulation and are herewith respectfully requesting same from the Commission.

Respectfully submitted,

E. T. Anderson

ETA/ek
Attachments - 4

R 32 E

R 33 E

T 25 S

PADUCA

Texaco 63 3-8 2 33 60 6-8 24 41 6 19 1-8

Tenneco 10 Texaco

Texaco

U.S.

11

Westates Pet. Cont'l-Fed 1 TD 4986

12

7

Texaco 20 12 Tenneco 5 2 Texaco 21 17 Tenneco

Tenneco 15 Texaco Texaco etal 22 1 8 11 10

U.S.

Union

Richardson & Bass

Hill & Meeker Hall-Fed 1 TD 4843

Richardson & Bass 14 Union J.I. O'Neill, Jr "O" 2 TD 4896 1 Fed.

U.S.

Pure

Continental

Union 13

U.S.

S.H. Jolliffe Bass-Fed 1 TD 5080

18

Texaco etal 4 16 18 9 48

22

U.S.

Union

Joseph I. O'Neill, Jr "P" 1 TD 4884

23 Tenneco Cont'l

U.S.

Union

Richardson & Bass

24 Continental

Pure Cont'l

U.S.

Holt & Tex. Crude Fed 1 TD 5023

19

Rector King 1 TD 4970

Morland King 1 TD 4325

26

27

25

30

JOSEPH I. O'NEILL, JR.
FEDERAL "O"

EXHIBIT "A"

SCALE 1"=2000'

Case 3891

EXHIBIT "B"

FEDERAL "O" - LEA COUNTY, NEW MEXICO
Production Through September 30, 1968

MONTH	PRODUCTION (BBLS.) OIL	WATER
June, 1967	611	1052
July, 1967	907	1132
August, 1967	852	1141
September, 1967	822	1121
October, 1967	800	1086
November, 1967	663	858
December, 1967	719	821
January, 1968	543	804
February, 1968	579	857
March, 1968	606	896
April, 1968	588	870
May, 1968	578	855
June, 1968	570	844
July, 1968	542	802
August, 1968	608	426
September, 1968	558	391
TOTAL PRODUCTION	10,546	13,956

Case 3891

Research - Manufacturing - Sales - Box 2072 - Odessa, Texas 79760 - FE 2-8501

Cardinal

ANALYTICAL SERVICE LABORATORY

Date October 11, 1968

Report No. _____

Company Joseph I. O'Neal
Address 410 West Ohio, Midland, Texas

Attention Mr. E. D. Anderson

Recent Treatments

County Lea | Lease Federal O

Field | Well No. #1

Formation | Depth

Date Sampled 10/8/68 | Sample Source

WATER ANALYSIS

(Reported as mg per Liter)

Specific Gravity	1.180 @ 76° F	pH	7.0
Chloride	158,500	Calcium	22,400
Bicarbonate	146	Magnesium	7,200
Sulfate	170	Total Iron	Fair Trace
Sulfide	None Detected	Sodium (Calc.)	63,250
Total Hardness (as Ca CO_3)	86,000	Total Dissolved Solids (Calc.)	251,666

Resistivity Ohm Meters @

Remarks:

jj

Analyst Foley

Cardinal Representative _____

Case 3891

EXHIBIT C

Research - Manufacturing - Sales - Box 2072 - Odessa, Texas 79760 - FE 2-8561

Cardinal

ANALYTICAL SERVICE LABORATORY

Date October 11, 1968

Report No. _____

Company Joseph I. O'Neal
Address 410 West Ohio, Midland, Texas

Attention Mr. E. D. Anderson

Recent Treatments

County Lea, New Mex. Lease

Field Well No.

Formation Depth

Date Sampled 10/8/68 Sample Source Robins Water Tank

WATER ANALYSIS

(Reported as mg per Liter)

Specific Gravity	1.000 @ 76° F	pH	7.2
Chloride	500	Calcium	440
Bicarbonate	244	Magnesium	312
Sulfate	1,550	Total Iron	NIL
Sulfide	NONEDETECTED	Sodium (Calc.)	46
Total Hardness (as Ca CO_3)	2,400	Total Dissolved Solids (Calc.)	3,090

Resistivity Ohm Meters @

Remarks:

jj

Foley
Analyst _____

Cardinal Representative _____

Case 3891

EXHIBIT D