

BEFORE THE
OIL CONSERVATION COMMISSION OF NEW MEXICO

APPLICATION OF READING & BATES
OFFSHORE DRILLING COMPANY FOR
AN EXCEPTION TO THE PROVISIONS
OF ORDER R-3221 AS AMENDED,
CHAVES COUNTY, NEW MEXICO

Case 3997

A P P L I C A T I O N

Comes now READING & BATES OFFSHORE DRILLING COMPANY and applies to the Oil Conservation Commission of New Mexico for an exception to the provisions of the Commission's Order No. R-3221, as amended, to permit the continued use of an unlined surface pit for the disposal of produced water in the West White Ranch Devonian Pool, Chaves County, New Mexico, and in support thereof would show the Commission:

1. Applicant is the operator of its White Ranch Well No. 1, located in Unit A, Section 1, Township 12 South, Range 28 East, Chaves County, New Mexico.
2. Said well is completed for production from the Devonian formation in the West White Ranch Devonian Pool, Chaves County, New Mexico, and is the only producing well in said pool.
3. The White Ranch Well No. 1 is presently producing approximately 50 barrels of oil per day, with the production of from 300 to 350 barrels of water per day, which water is currently being disposed of in an unlined surface pit.
4. To the best of applicant's knowledge, information and belief, there is no fresh water underlying the location of the above-described well and the disposal pit, the nearest water currently being produced and utilized in the area being from a windmill approximately two miles from the well-site.

5. Continued use of the surface pit presently being utilized in connection with the production from this well will not cause damage to any fresh water zones, nor to any surface water supplies; the requirement that the use of said surface pit be discontinued on January 1, 1969, as provided by Order No. R-3221, as amended, will cause unnecessary expense, and result in waste, and is not necessary for the protection of any fresh water supplies.

WHEREFORE, applicant prays that this application be set for hearing before the Commission or before the Commission's duly appointed examiner, and that after notice and hearing as required by law, the Commission enter its order granting the exception as prayed for.

Respectfully submitted,

READING & BATES OFFSHORE DRILLING COMPANY

BY: Jason W. Kellahin
KELLAHIN & FOX
Post Office Box 1769
Santa Fe, New Mexico

ATTORNEYS FOR APPLICANT

JASON W. KELLAHIN
ROBERT E. FOX

KELLAHIN AND FOX
ATTORNEYS AT LAW
54½ EAST SAN FRANCISCO STREET
POST OFFICE BOX 1769
SANTA FE, NEW MEXICO 87501

TELEPHONE 982-4315
AREA CODE 505

October 28, 1968

*Case
3997*

Oil Conservation Commission of New Mexico
Post Office Box 2088
Santa Fe, New Mexico

Re: Application-Reading & Bates Offshore Drilling Company

Gentlemen:

Enclosed please find original and two copies of
application of the above company, which please
set for hearing on December 13.

Thank you.

Yours very truly,

JASON W. KELLAHIN

[Signature]
jwk;ppp
Enc. as stated

DOCKET MAILED

Date 12-4-68

ILLEGIBLE

DOCKET: REGULAR HEARING - WEDNESDAY - DECEMBER 18, 1968

OIL CONSERVATION COMMISSION - 9 A.M. - MORGAN HALL, STATE LAND OFFICE
BUILDING - SANTA FE, NEW MEXICO

- ALLOWABLE: (1) Consideration of the oil allowable for January, 1969;
- (2) Consideration of the allowable production of gas for January, 1969, from thirteen prorated pools in Lea, Eddy, and Roosevelt Counties, New Mexico. Consideration of the allowable production of gas from nine prorated pools in San Juan, Rio Arriba and Sandoval Counties, New Mexico, for January, 1969. Consideration of purchaser's nominations for the six-month period beginning February 1, 1969, for that area.

CASE 3859: (Rehearing)

In the matter of the rehearing requested by Wilson Oil Company for reconsideration by the Commission of Case No. 3859, Order No. R-3517, which was an application seeking permission for the Wilson Oil Company to continue to dispose of produced salt water in seven unlined surface pits on the applicant's leases in Sections 13, 23, and 24 of Township 21 South, Range 34 East and Sections 7 and 18 of Township 21 South, Range 35 East, Wilson Yates-Seven Rivers Pool, Lea County, New Mexico, in exception to Order No. R-3221, as amended.

CASE 3996:

Application of Martin Yates, III for an exception to Order No. R-3221, as amended, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Order No. R-3221, as amended, which order prohibits the disposal of water produced in conjunction with the production of oil on the surface of the ground in Lea, Eddy, Chaves, and Roosevelt Counties, New Mexico, after January 1, 1969. Said exception would be for the applicant's Cordie King Well No. 1 located in Unit L of Section 22, Township 23 South, Range 26 East, Dark Canyon (Delaware) Pool, Eddy County, New Mexico. Applicant seeks authority to continue to dispose of produced salt water in an unlined surface pit located in the aforesaid quarter-quarter section.

CASE 3997:

Application of Reading & Bates Offshore Drilling Company for an exception to Order No. R-3221, as amended, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Order No. R-3221, as amended, which order prohibits the disposal of water produced in conjunction with the production of oil on the surface of the ground in Lea, Eddy, Chaves, and Roosevelt Counties, New Mexico, after January 1, 1969. Said exception would be for the applicant's

(Case 3997 continued)

ILLEGIBLE

White Ranch Well No. 1 located in Unit A of Section 1, Township 12 South, Range 28 East, West White Ranch-Devonian Pool, Chaves County, New Mexico. Applicant seeks authority to continue to dispose of produced salt water in an unlined surface pit located in the aforesaid quarter-quarter section.

CASE 3998: Application of H. N. Sweeney and Paul Slayton for an exception to Order No. R-3221, as amended, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Commission Order No. R-3221, as amended, which order prohibits the disposal of water produced in conjunction with the production of oil or gas, or both, on the surface of the ground in Lea, Eddy, Chaves, and Roosevelt Counties, New Mexico, after January 1, 1969. Said exception would be for applicant's leases in Section 36 of Township 8 South, Range 28 East, and in Section 1 of Township 9 South, Range 28 East, Twin Lakes-Devonian and Twin Lakes-San Andres Pools, Chaves County, New Mexico. Applicant seeks authority to continue to dispose of produced salt water in unlined surface pits located in said Sections 1 and 36.

CASE 3999: Southeastern nomenclature case calling for an order for the creation, extension, and contraction of certain pools in Lea and Roosevelt Counties, New Mexico.

(a) Create a new pool in Lea County, New Mexico, classified as an oil pool for Wolfcamp production and designated as the Cindy-Wolfcamp Pool comprising the following:

TOWNSHIP 11 SOUTH, RANGE 36 EAST, NMPM
Section 22: SW/4

Further, for the assignment of approximately 49,590 barrels of oil discovery allowable to the discovery well, the Meadco Properties, Ltd., and Chambers and Kennedy Phillips-State Well No. 1 located in Unit N of said Section 22.

(b) Contract the Eumont Gas Pool in Lea County, New Mexico, by the deletion of the following area:

TOWNSHIP 22 SOUTH, RANGE 36 EAST, NMPM
Section 11: NE/4

(c) Extend the Jalmat Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 36 EAST, NMPM
Section 11: NE/4